

Target the System, Not Just Individuals

Corporate fraud calls for systemic reform

It is welcome that the government is investigating possible diversion by promoters to their shell companies of a part of the loans they had received from banks, contributing to their eventual inability to service the loans, which, in turn, become non-performing assets on the books of the banks that lent them money. It is necessary to bring to book individual culprits. But it is even more important to bring in systemic reforms that would make such diversion difficult, their investigation more productive and encourage industry to focus on improving their efficiency.

Start with the nature of corporate debt. Why should large projects with long gestation periods be financed by banks? Rather, such projects should be financed by bonds issued by the project developer. When the viability of a project and its financial requirements are determined by a handful of bankers, who themselves are obliged to be sensitive to nudges, if not outright orders, coming from the owner of these banks, namely the government, such determination can be faulty and biased in favour of those whom the powers that be favour. If the project is assessed and financed by the corporate debt market, the number of actors who assess the viability of the project at inception and during implementation and running suddenly goes up: asset managers of debt funds, credit-rating agencies, pension funds, private equity and so on. Over-invoicing of projects and diversion of funds during implementation are more likely to be caught. And if such diversion does take place, it is more likely to be detected if the investigating agencies have the specialised expertise to vet project costs benchmarked against the rest of the world, to follow open audit trails and telltale trails left by corporate jiggery-pokery. That is another systemic reform.

But the biggest reform called for is in political funding. Today, companies need to divert funds from their projects to create covert war chests out of which to fund politicians and parties. If parties fund themselves openly and transparently, corporate corruption would be optional, not systemic as it is now.

The first meet of the leading western powers after US President Donald Trump's election, the G7's Taormina summit, saw the collapse of the erstwhile 'free world' wrought during the cold war. Russia will celebrate, but not as delightedly as China. The meet saw the US and the remaining six disagree on how to deal with globalisation, differing on climate change, trade, migration, and on dealing with rule-breakers such as Russia, whom the G7 had sanctioned for annexing Crimea.

The differences are on expected lines. The Trump administration's conviction that the US does much more for the world than it should was evident at the meet. On trade and more explicitly on climate change, the US has chosen to tread a separate path. The G7 communiqué records the US' "inability to join the consensus" supporting the Paris Agreement. On trade, the leaders of the G6 were able to get in language against protectionism while committing to adopt appropriate policies to help all firms and citizens to make the most of the global economy. Migration was another issue on which a strong resolution was not possible, with the US opposing the idea of free movement. The outcome of the G7's Taormina meet provides a clear indication of what the US position would be on key issues that will come up for discussion at the G20 meet in Germany next month.

The growing interdependence of nations and their peoples under globalisation calls for greater coordination among national governments, to build towards a modicum of global governance. The G7 and the G20 determine how and on what terms that would proceed. US isolationism disrupts the earlier process. Rising powers like China and India would have a greater say in shaping its successor process. It is a challenge India must rise to; China certainly will.

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Now, Too Much of a Good Thing is Bad

It is not surprising that one of the priorities of our times has also led to an associated malaise, even if its description sounds uncannily oxymoronic. Orthorexia nervosa, or the unhealthy obsession with eating healthy, certainly validates the Shakespearean line that one can desire too much of a good thing. Crucially, it seems to be exacerbated as much by a potent non-food external factor: the social media. "I am what I eat" is, after all, the truism of our smartphone-led age. Just ask all those who get stressed about falling off the health wagon by merely Instagramming a cronut, not eating it. The crucial difference between this affliction and its better-known contemporaries — anorexia and bulimia — is that the main concern is about quality (organic, bio-dynamic, just-plucked, pure, etc) rather than quantity.

It is curious that orthorexia nervosa is still not an officially recognised clinical condition, though both sufferers and researchers have been aware of it for at least a couple of decades. Now that a recent study by University College London has detected that social media is adding to the pressure on the psychological well-being of timorous eaters, magnified by the evangelical healthy eating chronicles of celebrities, the time has come to remember another adage: moderation in everything and everything in moderation.

Here's hard news for doomsday sayers: more technology means more jobs, not less

IT'S ALIVE & KICKING



N Chandrasekaran

Next to a news report bemoaning the lack of job creation in the IT industry in a business newspaper last week, there was an advertisement looking for UX/UI designers, full stack web developers, data scientists, data visualisers and Java coders. Having been in the industry for over 30 years with a ringside view of the industry's astronomical growth, I would submit that the advertisement strongly validates what we have been seeing around us for some time now: in today's digital age, consumers and business are now embedded in technology. And more technology means more jobs. Not less. Besides, technology is a great leveller. It recognises no caste, creed or colour. Just consumers and competence.

Aside from the significant political and social changes taking place today, rapidly emerging digital technologies are disrupting and reshaping our world at great speed. It is making us reimagine the way we engage and transact with each other as consumers, businesses and governments.

Data is the New Oil

To win in the new Digital Age, there is a race among companies to get the required tech talent they need to help them transform. For the last 20 years, technology has been used to refine and shape every process in an enterprise, which enabled companies to be efficient and optimise their operations. But in the digital world, process maturity has become table stakes. It is data that has now become the most valuable resource for business.

As the data component rapidly increases in every business, the demand for data-related skills is rising exponentially. From back-office systems to supply chains, from logistics to customer-facing roles, every job is now data-driven and requires more IT support than ever before. This is leading to huge demand for technology talent. Besides, to keep pace with this rapid change, businesses need external IT partners to future-proof their technology stacks.

The accelerated trend of digital adoption is driving up worldwide IT spending. Forecasts estimate that IT spending will rise to \$3.5 trillion in 2017, up 2.9% from 2016. Amidst this overall market expansion, Indian IT sits in the sweet spot: the software and IT services segments where growth is estimated to be significantly higher than overall IT spending.

Software sales are expected to grow

7.2% in 2017, while IT services spending is expected to grow 4.8% in 2017. In our lifetimes, I cannot foresee any reversal in the trend of increased spending on technology.

Sustained technology investment has led to millions of skilled employment opportunities across the country. It has given rise to an industry that clocked \$150 billion in revenues in 2016, created 3.7 million direct IT jobs and another 10 million indirectly. The industry is on track to double that to seven million direct IT jobs and 20 million indirect jobs by 2025. Indeed, this data may not reveal the true picture, as it does not project the increasing need for technology-led skills in every other industry too.

Indian investment in tech is only set to rise with number of initiatives like Digital India, which the government estimates will swell to \$1 trillion by 2024, up from \$270 billion today. Today, India's technology investment as a percentage of GDP is well below 1%, compared to a global average of 2.5-3%. With Digital India, technology investments will accelerate significantly and this will generate new employment and many new micro-entrepreneurship opportunities.

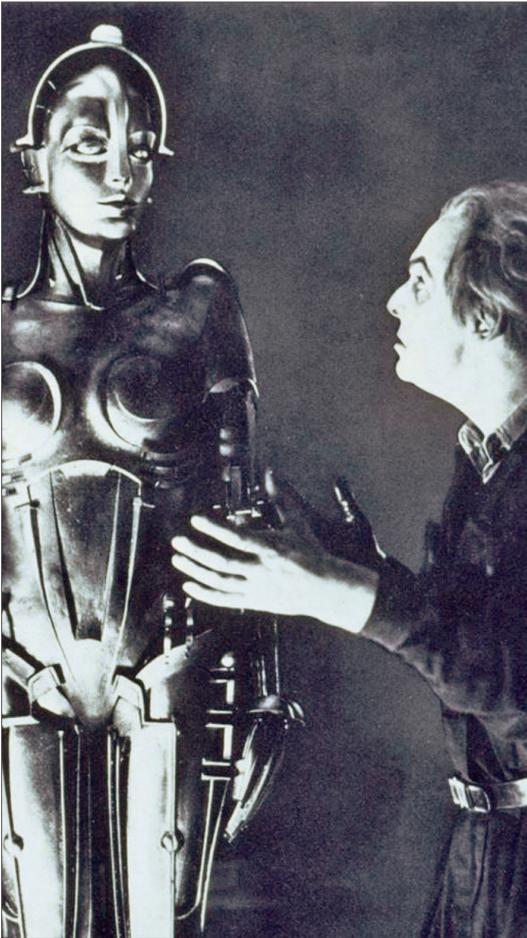
The history of technology has shown that each new cycle brings more opportunities and employment than before. In the 1990s, when custom-built software gave way to packaged software like SAP and Oracle, there were worries about the fate of IT firms that did bespoke development. But that shift created more new jobs in implementation, support and maintenance of packaged software than were lost in custom development.

Consequently, the onset of the internet in the 2000s gave rise to new opportunities in e-business that helped IT industry grow at a fast pace. Take Tata Consultancy Services (TCS), which has grown to over 380,000 employees. During 2015-17, TCS has hired 2.3 lakh employees (2014-15: 67,123; 2015-16: 90,182; 2016-17: 78,912). In 2017-18, it has already made 20,693 job offers to engineering graduates and continues to hire.

Emerging technologies in automation and AI will replace some of the technological skills that have traditionally been provided by the IT services industry. But the exponential increase in digital use in every industry will only increase the overall number of jobs being created.

New jobs are always different from old jobs. The nature of new jobs always has a different machine-human interface and at the time has always been deemed to be more skilled and more complex than previous ones. But historically, people have adapted and learnt new skills.

The introduction of computer-aided design and manufacturing improved product quality in the car industry. The introduction of microprocessors in the early 1970s generated a new wave of process innovations ba-



Now go and get me more postgrads

sed on digitisation. Most modern airplanes today 'fly by wire', with pilots only guiding them in complex tasks like take-offs, landings and for handling exceptions.

But using computers to fly did not reduce opportunities for human pilots. Instead, the increase in airplane productivity has only increased the number of jobs for pilots because airlines are more efficient.

Absolutely Obsolete

Similarly, today in many manufacturing industries, the concept of creating 'digital twins' for real assets like expensive machinery are helping improve product quality and creating a new type of job.

There are no legacy people, only legacy technology. Rather than debate or worry about rate of job creation, it is our collective responsibility as government, corporate citizens and academia to focus our energies on building a skilled, future-proof workforce equipped to handle new types of jobs as they become a reality.

TCS has retrained 210,000 employ-

ees in over 400 new digital technologies in the last 18-24 months. New trainees from engineering — and increasingly arts and maths disciplines — are now being put through software hackathons, design bootcamps and innovation sandboxes, instead of only classroom-based instruction. This helps them transition smoothly to work in an agile mode, combining design, software development and operations into one seamless release cycle.

We need to spend our energy creating a new learning culture so that we can train more people to use software as a tool, more people who can create must-have applications, or build insights from analytics, or create smart visualisations, or even train computers to behave more intelligently. We have to create micro-entrepreneurs who can use technology-enabled skills to provide digital services to rural and semi-urban India.

Job growth in such a scenario will never be a concern. The time to reimagine and recalibrate has come.

The writer is chairman, Tata Group

From 3.7 million direct IT jobs and 10 million indirect jobs, the industry will double those to 7 million direct jobs and 20 million indirect jobs by 2025

RED HERRING

How to Ban the Holy Caul



Indrajit Hazra

Only if cauliflowers had eyes staring back at us. The scriptures may be mysteriously quiet about the venerable gobi. But if the albino vegetable did have eyes at the human eye-level, we would have certainly seen to it that their sale in mandis, and subsequent slaughter in millions of kitchens, was stopped.

The thing about having eyes at the human eye-level is important. Chicken, goats, fish, small children, they all have eyes that do not meet the human gaze. Dogs, cats and older children end up looking up a lot. So, somehow they have managed to avoid turning up on (at least most of) our plates. And as the Zomato-, Foodpanda- and Swiggy-approved Menu Smriti tells us, it's in poor taste to eat something that can stare back at you. Not even Anthony Bourdain, a non-Brahmin, looks into the eyes of a future sirloin steak.

Which is where the two different species, the cow and the buffalo — and, for that matter, the horse, the donkey and the rhino — make for a strong case to not be eaten.

When the Delhi Police raided Samridhi, Kerala House restaurant, in 2015, to bust what they probably thought was a naked beef party, it turned out to be buffalo meat that they busted. I would also blame the gents who originally named buffalo meat 'carabeef' for the gaffe. If they had named it something more distinct, say, 'cantaloupe' or 'meheger', confusion would have been avoided.

But much was made of this Kerala House mix-up, since the female Bos taurus indicus, or cow, is quite different from the female Bubalus arnee buba-

lis, or river buffalo. (Horrible patriarchy always assured the males of both species safety from the frying pan.) The Delhi Police, whose members must have looked into the taunting eyes of folks who bear more loyalty to a biological classification system invented in the 1700s by a Swede than to their own eyes that can see all things that look like 'cows' as cows, must have felt humiliated. Gazing into their eyes — and those of many others who see little difference between the Sri Devi eyes of a cow and a buffalo — the government has now passed a law banning the sale of cows, bulls, bullocks, buffaloes, steers, heifers, calves and camels at livestock markets. Interestingly, no mention of black buck has been mentioned, probably since its existential situation falls under the



Gobhi Devi ki jai

Cinematograph Act, 1952.

An argument is being made out that whole industries will now be affected in a cascading fashion. Since this essentially means delegitimising the sale of 90% of stock — only 'home-grown' and tinned cattle and fellow quadrupeds will be legitimately sold and bought — leather thong and purse prices will shoot up and be affordable only to folks picking up Indian-made leather items from the Milan Fashion Week.

People gorging on carabeef in India (which, incidentally, is the world's largest exporter of the stuff), and on beef in disputed, non-BJP Indian territories like Kerala and Bengal, will now, after a massive drop in supply, have to shift to chicken, or mutton. Or cauliflower. This is the very same reason that tob-

acco products are not yet banned from 'marketplaces'. Families dependent on the growing of tobacco need to survive — an argument expanded to support poppy farming in Afghanistan and the sale of pornographic DVDs in Delhi's Palika Bazaar.

But this prohibition of sale of cattle and other four-footed animals with eyes at the human eye-level — pitched quite logically as a crackdown on illegal abattoirs the same way we await a crackdown on bootleggers in Gujarat and Bihar — is yet another disruption unleashed by the government. Like demonetisation, a little sacrifice is asked from all patriotic beef- and carbeef-eating Indians in this de(car)beefisation drive. Both corruption and horrible conditions in illegal abattoirs can be dealt with by this disruptive mission.

In all this, of course, the holiness of the cow — and piggybacking a ride on the cow, the newfound holiness of the buffalo — is no longer overtly stated, except by The New York Times op-ed writers. This 'maternal' quality bestowed upon these animals, of course, has its roots in their eyes staring back at us. Most people in this country don't like the idea of eating something that has 'human' eyes. It would have been another matter altogether if cows were not so prevalent on our streets, making people forget what the origins of a beef curry looks like. No one, for instance, mourns or opposes the death-to-meal metamorphosis of deer.

Which makes it imperative for me to start a campaign that will make people see Rekha eyes in cauliflowers. Once this happens through the powers of suggestion (e.g., 'scriptures', ads on spiritual TV channels, etc), the vegetable can be deemed holy. Its sale then can be stopped in marketplaces.

And why would I want that? Because I hate the taste of the confounding cauliflower. But the world needn't know that. They can jolly well believe they are upsetting sensibilities by consuming this holy caul.

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Citings

A Work in Progress

JAMES MANYIKA

The world of work is in a state of flux, which is causing considerable anxiety — and with good reason. There is growing polarisation of labour-market opportunities between high- and low-skill jobs, unemployment and underemployment, stagnating incomes for a large proportion of households, and income inequality. Migration and its effects on jobs has become a sensitive political issue in many advanced economies.

And from Mumbai to Manchester, public debate rages about the future of work and whether there will be enough jobs to gainfully employ everyone. The development of automation enabled by technologies including robotics and artificial intelligence brings the promise of higher productivity (and with productivity, economic growth), increased efficiencies, safety and convenience.

But the technologies raise difficult questions about the broader impact of automation on jobs, skills, wages and the nature of work itself. Many activities that workers carry out today have the potential to be automated. Then, job-matching sites are changing and expanding the way individuals look for work and companies identify and recruit talent.

Independent workers are increasingly choosing to offer their services on digital platforms, in the process, challenging conventional ideas about how and where work is undertaken. For policymakers, business leaders and workers, the shifts create considerable uncertainty, along with potential benefits.

From "Technology, Jobs, and the Future of Work"



Become a Witness

SUKSHMANANDA SWAMI

Detachment is not indifference or lack of love. In fact, it is real love because it is not related to appearance. Witness has no attachment and, hence, no detachment is needed. Ego has attachment, therefore, detachment has to be developed.

If appearance was a permanent reality, we could not make changes. We make changes in our lives in order to gain new experiences. This is possible only because that particular part of life is not reality, it is appearance, and until we know what reality is, we will continue the game of changes to modify our experiences. This is the age of browsing. We browse quickly through a variety of experiences, including relationships. The browsing will continue till we reach reality. So, in one sense, by browsing, we are indirectly searching for reality.

Spirituality eliminates the disparity between appearance and reality. The answer, "I don't know why I love you, I just do," reveals the ridiculousness of the situation. If you do not know why you love, it simply means you are not conscious about your love. True love never generates problems but is always part of the solution; it is part of witness, not ego.

The ability to love the world is a post-transformation state. A single glimpse or a single darshan of God alone is insufficient to transform a person's whole life. The darshan should become the background music of our lives, or it will appear and disappear like everything else in life. Only when we see the difference between the eternally real and the ephemeral image will our problems disappear.

Chat Room

Black Lining on a Silver Cloud

The federal ban on the sale of cattle for slaughter is an ill-advised diktat that hits at the core of the country's diversity. People are mostly law abiders but framers of law ought to give due recognition to the dietary preferences and cultural aspects of a diverse country like India. If there are people happily preferring to be tippers and meat-eaters, it should not unduly trigger the government's regulatory apparatus.

Also, the issue calls to question as to how ageing cattle heads are going to be disposed of now. Beef is an affordable source of protein for many people. Also, culling animals caters to the meat and leather industries, supporting livelihoods and earning the country precious foreign exchange. Now, in the current situation where the government can be celebratory about its achievements on many fronts, such a policy aberration serves only to alienate large sections of people and, thus, be better avoided.

GRAJAGOPALAN NAIR
Kochi

Pronounce Bail for the Jail

Apropos the Edit, 'Bail the Rule and Jail, the Exception' (May 27), Justice V R Krishna Iyer, while deciding on the issue of granting bail in Gudikanti Narasimhulu And Ors vs Public Prosecutor in the Andhra Pradesh High Court, on December 6, 1977, laid down a very sympathetic approach towards granting bail and said the grant of bail is imperative and the constitutional idea of liberty of life has to be honoured unless it is very dangerous to do. He said, "Bail should be seriously considered as far as possible and should be granted regularly and not exceptionally."

The legal principle, 'bail is the rule and jail an exception', laid down by the Supreme Court in 1978 cannot be said to be a precedent forever, especially after the enactment of special statutes such as the Narcotic Drugs and Psychotropic Substances Act 1985, the Madras High Court, Madurai Bench, held on December 3, 2016. The action is already too late.

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