

Note For The Poor: All This Suffering Is For You

The Needle's Eye



CHAITANYA KALBAG

Most of us ordinary mortals who work for scant rewards and only wish to enjoy, undisturbed, the fruits of our labour, are caught up in a war that we do not even realise had been declared on our behalf. This war is ideological and political, although it wears the sheep's clothing of fighting for India's poor. Confusingly and maddeningly, its stated objectives have metamorphosed as the generals in whose hands we placed our destinies strategize on the battlefield, and the casualties rise. While doing so we cast about for a central reason for the war. Is it a war for free, honest enterprise being waged against the forces of corruption and criminality? Or is it a war that will leave the enemy unvanquished, for our commanders to switch their objectives to other, less worthy, foes altogether? Seven weeks after Prime Minister Narendra Modi dematerialised an ocean of paper money, many of us are experiencing post-traumatic stress disorder, al-

though we don't know it. Historians will use both psychological and philosophical tools to sift through the causes, effects and after-shocks of the events after November 8. For the moment, though, most Indians have passed through the stages of grief over demonetisation: denial, anger, bargaining, depression and acceptance. What is most striking is the collective suffering that millions of people standing in line at the banks have endured. We have also been regaled with tales of suffering farmers, jobless migrant labourers, small shopkeepers whose supply chains have dried up, or the shuttered smithies and workshops of the nation that fix a horse-shoe or weld a broken chain, or just keep a plough in good repair. It is the same good-natured fatalism that is exhibited by the thousands upon thousands of vehicles jammed in endless gridlock on bad roads that are being dug up for the newest whimsy, whether a flyover or a new Metro corridor: this too must pass, this is all for a better future.

This leads us inexorably towards an exploration of suffering. The Buddha taught us that there is suffering in life, but it is not all bad. We need to take a pragmatic view of our suffering: will it lead to better things as the old woman in the ATM line believes? Will it lead to a glorious cashless future where notional money flies into and out of notional bank accounts to fund notional services that a good government is expected to provide?

Recall the Four Noble Truths of the Buddha, and you will discern a road-map to the future. Gautama Buddha wanted us to understand the Truth of Suffering, the Truth of the Cause of Suffering, the Truth of the End of Suffering, and the Truth of the Path leading to the End of Suffering.

Think about these four truths and you will start to contextualise a lot of the words you are hearing these days. Forget the concept of defunct banknotes, or the corruption that seems to ooze from every pore of our economy. Forget for a moment that there is fear among the honest, and foolhardiness among the crooked. Forget that the government is playing mind games: one day it says you have nothing to fear if the cash you winkled out of old wallets is not disproportionate to your declared income (what if you never declared any income because

grubby piles of sweaty notes across the counters. Above all this is the basilisk glare of the newly-emboldened tax official, who has been given the power to seize, or not, even the jewellery your family has accumulated over the decades. Of course the taxman has been asked not to cause 'undue harassment', but you can only expect zealousness when huge sums of new – yes, new – banknotes are discovered in seedy hotels and swank lawyers' offices and in the cupboards of corrupt officials. I remembered a Hindu-Buddhist conference over a year ago where Modi spoke about the difference between ideology and philosophy. Ideology is not open to dialogue but philosophy is, he said. His speech was praised by another speaker, Swaminathan Gurumurthy, who is always described as a leading

Rashtriya Swayamsevak Sangh (RSS) ideologue. The Swadeshi Jagran Manch (Nationalist Awakening Movement) of which Gurumurthy is a leader, opposes multinationals, foreign investment, genetically-modified crops, and even the full convertibility of the rupee – all of which the Modi government has or is likely to have to embrace if it wishes to take India into the league of economic superpowers.

Gurumurthy said Modi had spelled out the difference between ideology and philosophy. He had discovered only one other politician who was equally percipient, he said – former U.S. president Bill Clinton.

Philosophers want to engage in discussion and argument, Clinton said in a 2006 speech. "The problem with ideology is, if you've got an ideology,

you've already got your mind made up; you know all the answers. And, that makes evidence irrelevant and argument a waste of time. So, you [use] assertion and attack."

It is not at all surprising therefore to hear Gurumurthy declaring that the new ₹2,000 banknote will be withdrawn soon. It is also not surprising that the RSS magazine Organiser

(although I have seen no evidence of it so far), and a number of other festive-season discounts are sprucing up the government's marketing campaign as Modi and Jaitley drag a befuddled India into a digital wonderland. The RBI is tracking, on a daily basis, the number of point-of-sale (PoS) and debit- and credit-card transactions as well as electronic fund transfers. In the first 12 days of December such transactions totalled 357.5 million, against 671.5 million in all of November; together worth a total of ₹32.98 trillion against 94 trillion in November. Not exponential despite the brouhaha.

Lest we forget, the ultimate beneficiary of all this is the poor Indian – I mean that in the economic sense. There are tantalising hints of a Robin Hood-like transfer of some of the ill-gotten black money into the quarter-billion Jan Dhan accounts, although it will take months to sort out those that were used by the tax-evaders to launder their cash. Who are the poor exactly? A Credit Suisse Global Wealth Survey shows that India alone accounts for nearly 250 million of the world's poorest people. Although wealth per Indian adult went up from \$2036 to \$3835 in 2016, this was notional.

The survey said that in 2012, the top 20% of Indians owned 77.6% of wealth, and the top 1% controlled 25.7%, while the bottom 70% of the population owned just 13.6% of wealth in India. At least we know who doesn't have the cash.

Bigger Picture

What is most striking is the collective suffering that millions of people standing in line at the banks have endured

wrote earlier this month: "Once the tax-GDP ratio is improved and number of people under tax regime is increased, the taxation rates also will be lowered." A few days after Finance Minister Arun Jaitley obligingly told the media that in the new digital India, all the loose cash would come into the banking system, thus swelling the ranks of the tax-payers, and future transactions would also come into the tax net. "This would also enable the government at some stage to make taxes more reasonable which will apply to both direct and indirect taxes," Jaitley said.

So the shiny lights of crop loan waivers, less tax, cheaper digital payments

Indian Count

A Credit Suisse Global Wealth Survey shows that India alone accounts for nearly 250 million of the world's poorest people

you always counted yourself among the untaxed poor?) Another day the Reserve Bank of India tells all banks to crank up their CCTV cameras and preserve film of each citizen pushing



ANIRBAN BORA