

Report on the Talk:

“Covid and 'New Normal' in Governance”



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**Live Event on Zoom/MMA Facebook/
Live IBC/YouTube**

**Under the 'Leaders Speak Series'
on the theme**

Covid and 'New Normal' in Governance

By

Mr Arun Maira

Thought Leader and Author

**Former Member of Planning Commission of India
Former India Chairman of Boston Consulting Group**

Held on Monday, 10 August 2020

at 6.00 pm

Covid and 'New Normal' in Governance

Monday, 10 August 2020

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Leaders Speak series on the theme**

**Covid and 'New Normal'
in Governance**

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Live links:

www.facebook.com/mmachennai

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The Context

While the pandemic has hit public health, economy and every other aspect of human life as nothing before, it has also impacted on larger and minor aspects of governance at all levels - from the political leadership and policy-making at the top, to implementation at the State and grassroots level. Why and how to institutionalise the lessons learnt and keep them comprehensive and comprehensible?

In this context, MMA in association with KAS organised a webinar under the 'Leaders Speak' series on the theme, "**Covid and 'New Normal' in Governance**" with a talk by **Mr Arun Maira**, Thought Leader, Author, Former Member of Planning Commission of India and Former India Chairman of Boston Consulting Group.

Programme Overview

Madras Management Association (MMA) in collaboration with **Konrad-Adenauer-Stiftung** (KAS) presented a live talk through webinar under Leaders Speak series on the theme, “**Covid and ‘New Normal’ in Governance**” by **Mr Arun Maira**, Thought Leader, Author, Former Member of Planning Commission of India and Former India Chairman of Boston Consulting Group on **Monday, 10 August 2020**.

Group Captain R Vijayakumar (Retd), VSM, Executive Director of MMA initiated the programme and introduced the speakers. **Mr R Ravichandran**, President, MMA and President, India Region, Danfoss Industries Ltd delivered the welcome address.

Mr Peter Rimmele, Resident Representative to India of KAS delivered the introductory remarks, giving a German perspective of ‘New Normal’ in Governance.

Mr Arun Maira delivered the talk on the theme, “**Covid and ‘New Normal’ in Governance**”

Group Captain R Vijayakumar (Retd), VSM moderated a Q&A session where questions from officials of MMA and KAS and other MMA members / online viewers were taken up with **Mr Arun Maira**. He not only answered all the questions patiently but brought in great insights, making use of his rich experience both in the Government and Corporate sectors. After the talk, Group Captain R Vijayakumar (Retd), proposed the vote of thanks. The event concluded at 7.30 pm.

The event was viewed online by 1116 participants.

Profile of the Speakers

Arun Maira

- ♣ Arun Maira was born in Lahore. He received his M.Sc. and B.Sc. in Physics from St Stephen's College, Delhi University.
- ♣ Arun Maira is a management consultant and former member of Planning Commission of India. He is also former India Chairman of Boston Consulting Group.
- ♣ Arun Maira was part of Tata Administrative Services for 25 years and worked at various important positions in Tata Group till 1989. He was the first Non-Bumiputera CEO in Malaysia when he worked for Tata Industries from 1977-79. He was board member of Tata Motors from 1981 to 1989. He was Resident Director from 1981-86 and Executive Director in Corporate Office from 1987-89. He played a key part in Tata Motors' successful entry into the LCV segment. After this, he worked with Arthur D. Little for 10 years where he was Leader of Global Organisation Practice and Managing Director of Innovation Associates, a subsidiary of Arthur D. Little. In 2000, Arun Maira returned to India and had held the position of chairman of Boston Consulting Group in India till April 2008.



Ravichandran P

- ♣ President, India Region, Danfoss Industries Ltd
- ♣ Business Leader with over 25 years of experience in various roles ranging from Sales & Marketing, Strategy, General management, M&A and globalizing businesses across Asia pacific, Europe & India. Member of Global management team, Board member and Global Mentor.
- ♣ Active member of CII FACE Centre of Excellence in Food Processing; Chairs the task force on Cold Supply chain logistics.
- ♣ Chairs CII GBC Energy efficiency Council and works in promoting Energy efficiency, Industry 4.0 technologies and Net Zero Buildings extensively.
- ♣ Currently, President of Madras Management Association.
- ♣ Actively engaged in Start up ecosystem and Industry -University engagement
- ♣ Alumnus of College of Engineering Guindy, IIM A and Singularity University, California



Peter Rimmele

Peter Rimmele is currently the Resident Representative to India of Konrad-Adenauer-Stiftung.

He has a First Law Degree from Freiburg University, as well as a Second Law Degree from the Ministry of Justice Baden-Württemberg, Germany and a M.A. in Geography.



After working as, a jurist, judge and lecturer, he took public office as Ministerialrat, Head of Division at the State Ministry of the Interior in Saxony, Germany, from November 1991 on until 2000. There he first served in the Police and Security and later in the Local Government Department. On behalf of the German Foreign Ministry he served in East Timor as Registrar General, Head of Civil Registry and Notary Services (UNTAET), and became later the principal Advisor for Governance Reform for GIZ (German International Cooperation) to the Ministry of Administrative Reform and the Anti-Corruption-Commission of the Republic of Indonesia, where he served for 7 years. He then moved to Rwanda, also as Principal Advisor Good Governance/Justice Program. Earlier he was Resident Representative Lebanon, Director of Rule of Law Program Middle East North Africa, Konrad-Adenauer-Stiftung.

Key Statements



- Perhaps the most important change has been the shift towards home office...The federal government of Germany is entirely in home office mode -**Peter Rimmele**, Resident Representative to India of KAS



- If radical change is effected long enough, it becomes permanent. It becomes our 'New Normal' -**Peter Rimmele**, KAS



- Governance is the manner in which power is exercised in management of the country's economic and social resources for development -**P Ravichandran**, President, MMA



- What we see now is evidence of the clash of the scientific way of thinking and the natural way of being - **Arun Maira**, former Member of Planning Commission of India



- Science is a way of thinking. Nature is a way of being. Scientific thinking breaks reality into parts. Nature brings things together to create life - **Arun Maira**



- We should scale up the ability of people everywhere to find their own solutions, in their own communities - **Arun Maira**

Key Takeaways

From Peter Rimmel's Address:



- ♣ Around the world, the corona-crisis has changed civil services. In one sense, it has made them change along similar lines as our service economies, which have had to embrace digitization and alternative workplace regulations.
- ♣ The most important change has been the shift towards home office. Wherever this is technically feasible, it has been introduced. The federal government of Germany is entirely in home office mode, while the foreign ministry works shift-wise.
- ♣ Germany has been overly cautious when it comes to innovation. But Covid-19 has changed this; a range of services has now been digitized and E-governance has been made possible.
- ♣ There is also another side to it. The pandemic has given civil services and government structures on all levels, unprecedented powers.
- ♣ The corona-crisis heralds the return of the forceful state. Now, civil service has once again been endowed with the task of surveillance and enforcing conformity for the sake of our health, rather than our security. German people have started protesting against Government's Covid policies.
- ♣ Germany is now debating a difficult topic: The powers of the state in contrast to the responsibility of the individual. Is our health and safety a greater good than our freedom of expression?
- ♣ The crisis has forced the state to make deep intrusions into civil life, but the measures have so far been carried by majority support.
- ♣ The German government has been at pains to be strong but not an enforcer. It is willing to do what is necessary but unwilling to do what might be useful but excessive.
- ♣ Believing in the responsibility of people becomes problematic, if the irresponsibility of some threatens the hard-fought gains of the majority.
- ♣ Multiple states have now reacted to lax adherence to rules and open flaunting of advice, and made the police enforce fines against not wearing masks on public transport.
- ♣ To combat the crisis, government is expanding and taking over responsibilities it does not usually possess in liberal democracies.
- ♣ If radical change is effected long enough, it becomes permanent. It might become our "New Normal".

From Mr Arun Maira's Address:



- ♣ For the last 15 to 20 years, Indians were travelling along happily, growing in the fastest growing, free market democracy in the world, with growth rates just short of China's.
- ♣ Many of us were within this bus of growth. Then the bus had to suddenly stop as Covid came. The people in the bus were surprised to see people falling off the bus, onto the streets; the people who've been clinging on to the bus, riding on the roof of the bus. Those in the bus weren't even aware of them.
- ♣ The people in the government driving the bus were looking at only two instruments on the control panel - the GDP meter and Stock Market meter.
- ♣ Think tanks around the world reviewed how well India was doing with respect to not just the economic growth, but also the care of the environment as well as the inclusion of all the people of India in the economic growth.
- ♣ The SEDA framework -the Sustainable Economic Development Assessment framework pointed out that India was doing poorly on sustainability goals.
- ♣ The sustainable development goals (SDGs) have shown the world that we need to pay attention to 17 metrics- not just the GDP or the Stock Market instrument.
- ♣ The Covid crisis has also shown us what is wrong with our present government and expert-led models of improving systems.
- ♣ We are at this moment paying a lot of attention to finding solutions to the medical problem, which is the right solution that our doctors have pointed out. The consequence of this has been that other systems have been breaking down.
- ♣ By the stoppage of the economy, people are even beginning to die out of starvation because they don't have income to buy the food. Schools are shut and the future of the children who are losing out on education has become a matter of serious concern. Solutions, therefore, must look at all aspects of a system.
- ♣ Let us not just keep thinking of government. We have to think of governance.
- ♣ What we see now is evidence of the clash of the scientific ways of thinking and the natural way of being. For the last 30 years or more, we have been destroying Nature, imposing our scientific solutions on to it.
- ♣ Science is a way of thinking. Nature is a way of being. Scientific thinking breaks reality into parts. Nature brings things together to create life.
- ♣ The European Enlightenment broke knowledge into parts, into silos, in which one got to know more and more about less and less.

- ♣ To quote Nobel Laureate Rabindranath Tagore, a poet, we could be 'breaking up the world into fragments by narrow domestic walls,' by our thinking and actions. The walls have come up not only between people in societies but for the last two centuries, between scientific disciplines too.
- ♣ The Amazon forest which is not managed by scientific ways of Man. It is managed by the real, natural ways of Nature.
- ♣ With scientific agriculture, we try to improve productivity. But as we have learnt in India, by using uniform crop practices we destroy the soil underneath; we change even the local climates in parts of our country.
- ♣ So the scientific approach about doing the same thing in a large scale, with standardization, kills the beauty of complex systems and the way they sustain themselves.
- ♣ We have to change from the Machine way of organizing which is overpowering Nature to Nature's way of organizing itself and apply Nature's way to the way we organize our own society.
- ♣ We look down upon the large informal sector even though it has a great resilience and potential for global solutions.
- ♣ Even before Covid, globalization was breaking up. More recently, geopolitical tensions have been breaking up the global order.
- ♣ We have to stop now and think more of the local, rather than global solutions. In the world today, we see the complex problems of inequity of social systems, destruction of soil and forest, water contamination and so on.
- ♣ We need local system solutions, developed and implemented by communities, to global systemic problems of health, livelihoods and care of the environment.
- ♣ We must change the theory of change. We should not be looking to scale up a standard solution everywhere, but we should scale up the ability of people everywhere to find their own solutions in their own communities. This was Gandhiji's way of giving freedom to the people, to make people the masters of their own lives, communities and solutions.
- ♣ Globalization has been making life easier for migrant capital to go wherever it liked. But we've been making it very hard for migrant workers, who cannot even find a home anywhere.
- ♣ We need new forms of business enterprises. We must develop enterprises in which workers will create wealth for themselves.
- ♣ Gandhiji's **Charkha**, the Spinning Wheel, was a symbol. It was a vision of Enterprises by the people, producing things for the people, and which were also owned by the people. We need deep democracy which is government by the people, of the people and for the people.

Welcome Address

Mr Ravichandran P, President, Madras Management Association, President, Danfoss Industries Pvt Ltd



Group Captain R Vijayakumar (Retd), VSM, ED, MMA initiated the online panel discussion organised through Zoom webinar and livestreamed on MMA website, YouTube and Facebook. He listed out the series of MMA activities planned over the next few days to keep the MMA members actively and purposefully engaged.

Mr P Ravichandran, President, Madras Management Association, President, Danfoss Industries Pvt Ltd delivered the welcome address. He extended a hearty welcome to the guest speaker **Mr Arun Maira**, Thought Leader, Author, former Member of Planning Commission of India and former India Chairman of Boston Consulting Group. He also welcomed **Mr Peter Rimmele** who is the current Resident Representative to India of Konrad-Adenauer-Stiftung and **Mr Pankaj Madan** of KAS. He welcomed members of MMA, KAS and all the online viewers.

Introducing the theme of the day, he defined Governance as the manner in which power is exercised in management of the country's economic and social resources for development. He stated that a government's role becomes one of paramount importance in a national crisis and added that a good Centre-State working relationship is very important for the larger good of the country.

Group Captain R Vijayakumar (Retd) introduced the speakers and requested **Mr Peter Rimmele** to deliver the introductory remarks.

Introductory Remarks

Mr Peter Rimmele, Resident Representative to India of Konrad Adenauer Stiftung (KAS)



Mr Peter Rimmele in his introductory remarks pointed out that the Covid pandemic has changed the Civil Services around the world; it has led to increased digitization in governance and alternative work place regulations.

“Earlier, it was believed to be impossible to obtain certain services without a personal appointment, but now, e-governance has rendered this possible in a breathtakingly short amount of time,” he

observed.

The most important change, he said, is the shift to home office wherever it is technically feasible and remarked that the German government, though very reluctant to introduce innovation in governance has adopted ‘WFH’ and e-governance and found the model to be beneficial.

“The federal government is entirely in home office mode, while the foreign ministry works shift-wise. Many city and county bureaucracies have also switched to home office. The southern city of Ulm is sharing its new experiences through a blog, highlighting the fact that we are treading on uncharted territory here,” he said.

Covid has also given the Civil Services and government structures at all levels, unprecedented powers. While the government increased its surveillance on people with the aim of safeguarding their health and protecting the interest of the nation, it has also resulted in disenchantment with policing, he said referring to a 10,000 strong march in Germany recently against Covid-policies.

“The crowd disregarded every regulation, from social distancing to wearing masks in private to the showing of Nazi-symbols. The police finally ordered the dispersal of the demonstration on the ground that public security could no longer be guaranteed,” he added.

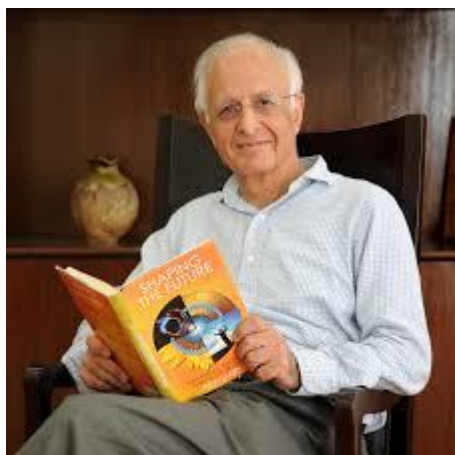
He pointed out that the German government has been at pains to be strong but not an enforcer. “Angela Merkel had been at pains to explain that ours was not a curfew but rather ‘contact restrictions’. The German government is willing to do what is necessary but unwilling to do what might be useful but excessive,” he noted.

He lamented the fact that believing in the responsibility of people becomes problematic, if the irresponsibility of some (by violation of social distancing norms and wearing of masks, etc) threatens the hard-fought gains of the majority. “Multiple states, Berlin included, have now reacted to lax adherence to rules and open flaunting of advice and made the police enforce hurtful fines against non-compliance. But the debate has only just begun,” he said.

Mr Peter Rimmele summed up saying that what is true for the very few advantages of this pandemic, might be even more true for its many repercussions and added, “If radical change is effected long enough, it becomes permanent. It might become our New Normal.”

Address by the Distinguished Speaker

Mr Arun Maira, Thought Leader and Author, Former Member of Planning Commission of India, Former India Chairman of Boston Consulting Group



Mr Arun Maira in his address came down heavily on the flawed model of governance that nations have been following linking economic growth to merely GDP and Stock Market performance, completely neglecting sustainable development. According to him, when he was in the Planning Commission, the SEDA framework -the Sustainable Economic Development Assessment framework pointed out that India fared poorly amongst all ASEAN countries, BRICs countries, and all the other countries in the Indian sub-continent.

“Sustainable development depends on 17 goals,” he said and pitched for metrics on these 17 goals or SDGs (Sustainable Development Goals) as suggested by the United Nations.

The Jolly Good Bus Ride

He alluded India’s journey prior to Covid to a comfortable bus ride that monitored only the GDP and Stock Market meters and in which rich people sat inside the bus and enjoyed ‘French wine and Swiss cheese,’ completely oblivious of many poor people who were perched on top of the bus. He said that globalization benefitted only the wealthy and let down the poor. He pointed out that the Covid pandemic has brought this bus journey of ‘ambitious but lopsided economic growth’ to a screeching halt and as a result, the poor people sitting on top of the bus fell down on the streets.

Crisis Solutions; Problems Elsewhere

He lamented that our Covid solutions are too focussed on health issues and this approach could create major problems elsewhere. He cited the case of schools being shut indefinitely and how this could affect the future of children. While the government is focussing its efforts on Covid related treatment, there are many who are unable to get their other illnesses treated, as the hospitals are short of resources. Lockdowns have resulted in job losses and many people have become poorer. There can be starvation deaths resulting out of poverty.

Narrow Domestic Walls

Quoting Rabindranath Tagore, a poet and a philosopher who was the first Indian to win the Nobel Prize, he said that we could be ‘breaking up the world into fragments

by narrow domestic walls,' by our thinking and actions. "The walls have come up not only between people in societies but for the last two centuries, between scientific disciplines too," he regretted.

Our craze for specialized knowledge in every field and use of scientific management to manage even Nature have seriously backfired, he opined.

He said that more recently, geopolitical tensions have been breaking up the global order. "In Covid, the physical realities have broken down the flows of products around the global supply chains. This is not going to change in a hurry. We have to stop now and think more of the local, rather than global solutions. This is the realization that we have come to, in the world today, seeing the complex problems of inequity of social systems, destruction of soil and forest, water contamination, etc," he added.

Change the Paradigm

"We need to change the paradigm of spreading the best and forgetting the rest; we need to think of localised solutions rather than globalised solutions; instead of thrusting our solutions on people, we need to scale up people's ability to find solutions for their problems; we need to change from machine way of overpowering Nature to Nature's way of organising itself," he said.

According to him, globalization has been making life easier for migrant capital to go wherever it liked. "But we've been making life very hard for migrant workers who cannot even find a home anywhere," regretted Mr Arun Maria.

Spinning Wheel- The Symbol

He referred to Gandhiji's use of **Charkha**, the Spinning Wheel and said it was a symbol. It was a vision of Enterprises by the people, producing things for the people, and which were also owned by the people. "We need deep democracy which is government by the people, of the people and for the people," he said.

He summed up his prescription for effective governance in the new normal around 5 important aspects which are stated below:

1. What we measure is what we manage:

The Boards of companies have been keeping their eyes too much on profits and shareholder value, the two indicators on the dashboard. They need to put more indicators in governance for assessing the impact of the businesses on all stakeholders and environment and look at them every day, just like they look at the profit and share price.

The governments also need to keep their eye not just on GDP, but on the well-being of all citizens, as well as Nature that sustains us all. They need to have many indicators on the scorecard in their front.

2. Systems Thinking: Unfocus

Systems thinking requires us to 'unfocus,' to see the whole forest and not just count the trees. We have to see the relationships between parts of the systems.

3. Listen to Different People

We must listen to people who are not like us. We listen more and more to people who talk our language and who think like us. We have webinars and seminars with them. On social media, we are compelled to be with people like us. The algorithms force us to be with them.

We are not listening. We don't listen even to people who follow a different stream of science. We weren't even sensing that there were people who weren't living life like us, to whom our indicators of the stock market or the GDP or whatever else we thought as important, was perhaps of no consequence. Let's get out of the bus, be with them and listen to them.

4. Change the Theory of Change

Rather than prescribing one-size-fit-for-all, standardized solutions, we need local system solutions to global systemic problems, to address the Sustainable Development Goals – the SDGs and Covid related problems. Change must be bottom up and not top down.

5. Gandhiji's Principle of Anantodaya

We have to think of the poorest person first when we devise new governance and policy solutions. We must think of what effect our policy would have on that person's life.

People are not mere numbers. Economists put people into their equations as numbers. People are human beings. Poor people are not a burden to be tolerated by us - the elite. They are human beings; they have agency; they are the other source of energy and solutions that the world needs.

Q &A Session

Various questions asked in the Q&A and Mr Arun Maria's Answers

Questions by Mr Peter Rimmele, KAS:



Q(1): You said, “Don't look only at the bottom line for profit or loss; look for other things too.” Is it useful to include some instrument like the so-called triple bottom line?

A: The triple Bottom Line is not a new thing. I was a director of the board of the UN Global Compact way back in 2000 and 2002. Then all global leaders of businesses decided on how they would change the way the businesses work and pay attention to the Millennium development goals, but we didn't do enough. We got to the SDGs. There was a GRI - the Global Reporting Initiative. The triple bottom line had been around even longer but why are they not adopted?

The people who are using the present set of instruments want to be recognised by their peers as the best. They really are not concerned about being recognized by the poor people of the world. They assemble in Davos on the Mountaintop to be celebrated by their peers. Would they come down to the seaside and listen to the poor people?

I want MMA and its members to take the initiative to adopt these frameworks. Start a Board Meeting by asking what effect did our work in the last month have on the poorest people of this country; and, are we finding the indicators of that? Don't start with, say, what happened to the profit or the cash flow in the last month and you have them side-by-side. It's not an either/or, but please see them together.

Q(2): You talked about, “More local; less Global.” You didn't say Local instead of Global because issues like Global Warming need to be addressed on a global level. What could be the idea of incorporating power on the local level where people have a feeling of belonging that they want to preserve the environment and contribute to global solutions?

A: Local and Global - We got to learn about both. They must learn to co-exist and respect each other. Governance is the manner in which power is exercised as Mr Ravichandran pointed out in his welcome address. Too much of the power has been held by some people only and they perpetuated their thinking.

Questions by Mr Pankaj Madan, KAS:



Q: Are you advocating going back to Nature or asking us to de-clutter our mind from the perspective of having this binary of either money or no money and that money should be generated, but it should not be lopsided in terms of distribution. Do you have a good example of the 5

Key Points that you advocate?

A: I don't mean that we must disappear as human beings with our aspirations and leave it to Nature. We as human beings have been created by Nature and we've been given a gift by Nature as being the most evolved of the creatures on Earth. We want to create systems to make the future better.

In the institutions that we are inventing, do not try to overpower Nature and exploit it to make more wealth for ourselves and our own organizations. If we kill what we are a part of, we will also die. This is the wisdom.

About examples: Now we talk a lot about circular economy in the context of the environment and say that the circulation of material and energy must be watched in the whole circle. It's not that you use something in your factory and then discard what is wasted, outside, to be out of your sight. In this system of thinking, the whole ecology of the world has got damaged.

We dump plastics in the oceans and now realise that in the oceans if the planktons and fishes die, there will be many consequences back on land. So in the circular economy, we trace the material energy that flows through the system.

The wealth being generated by activities of people on the ground has been accumulating more and more in certain pockets. The wealthy people object to being taxed. The wealth they have is not circulating fast enough. They give

back some through philanthropy and CSR but it's a very small fraction of the wealth.

Let me come back to Gandhiji again and to the Co-operative ideas where the workers have a share in the wealth created by the Enterprise as well as a share in how the Enterprise is run. Germany is a good example where workers have a share in the decisions taken by the Management through Workers' Councils and Worker Representatives.

In India, we have good examples from Amul and SEWA. Grameen Bank has proved this in Bangladesh. So we have examples of such enterprises in which the wealth is created at the bottom of the pyramid also and not just accumulating at the top.

Question from Mr Ravichandran, President, MMA



Q: What is your recipe for companies to put the larger purpose before profits? How can the governments and stakeholders motivate all to go in that direction?

A: Every religion says that to be selfish person and not to care for others is wrong. Adam Smith, perhaps said that if everyone looks after them rationally with self-interest, somehow by an invisible hand, the whole world would be all right. What we observe is unfortunately not so. In business, Milton Friedman went further, saying that the purpose of business must be only business.

There is nothing wrong in making wealth, as Gandhi said. If you know to use resources efficiently and thus generate more wealth, please do so. The world needs that. But remember that wealth belongs to the whole of society. Trusteeship was Gandhi's model.

Therefore, the leaders of our businesses must start by asking themselves ethical question. They must engage with the people of the government and civil society and request them not to celebrate large companies' mere financial success.

We created many years ago the national voluntary guidelines, which is created by business leaders and business associations. The German Development Organisation helped us a lot with it. Adopt it. Unless we celebrate goodness and not the size and wealth, we will not change.

Other Questions and Answers:

Q: What governance initiative would you suggest to make India an economic powerhouse? How long would it take to reach there? How can we use technology to achieve this?

A: It depends upon when you start the new method of governance. If for the next 2-3 years, we keep persisting with the old methods, we are pushing our target further away. The more we delay our transition, the more we will damage the environment and it will prolong the whole process.

We cannot claim that we are an economic powerhouse just by being a 5 trillion dollar economy. We have got to be a great society and a great nation; the size of the economy is only one side of the nation. In our Constitution, we have declared that we are going to be a country where every Indian will have all freedoms.

Our method of growth has not created respectful ways for people to grow their own incomes. We look down on small enterprise. Their skills and efforts can propel our economy.

We must all enjoy world-class products made in India and then export those products around the world. I had the privilege of working with Tata Motors for many years. In the dark days of India as people call them, before 1991, we produced trucks and buses and exported them around the world, in competition with the world's best. We are also giving the Indians the best trucks for Indian conditions.

Those who came from outside with so-called better technology could not sell in India because we had developed products for Indian use; those same products with some other features could also sell very well in the Middle

East, Southeast Asia and Africa. We take pride in ourselves and let us also learn to do things that we have not learned to do well enough yet.

Q: The political system today exploits our natural resources. As citizens, we are helpless. What can we do about that?

A: For the last two or three years, we have been celebrating India's rising up the scale of ease of doing business. This is a framework initiated by the World Bank with the aim of make things easy for business to do business.

But in civil society, Ease of Living is what we must measure and not the ease of doing big business. We make life so difficult for a street vendor to do business. Persons like him, fell off the economic bus, when the Covid crisis hit us. Let us see how we can make life easy for them.

Q: What is your view on developing a relief package for self-employed people in India who were also badly hit by the pandemic?

A: You are right. The government must look at all citizens as human beings and provide them Universal Social Security like Germany, Sweden, Denmark, the northern European countries, Japan and the United States to some degree. You can't provide universal employment.

But you should care for your citizens whether they are employed or not. Good public health, good education, learning new skills are citizens' rights. If technology changes and I don't have a job, then it is government's job to help me learn the new skills. So lifelong learning has to be there.

There is so much to learn from the German apprenticeship system. There, no employers share their employees totally because if they keep their employees on part-time, the State will provide them assistance and training because they have time off during a part-time work. The concept is: use them at work and then train them more so that when they come out of the crisis, your company will be even stronger.

So it is not strange that after the last recession German industry came out even stronger, while the UK and American industries came out weaker. During the pandemic, the US and UK let go the people who needed incomes

and support the most. But the German industry with the support of government was keeping the people and building its own and the people's capacity. We need to change our way of thinking and take care of citizens first and not companies or the employed people only.

Q: How do we create social purpose organizations -small scale ones - to last longer?

A: The concept of social enterprises now comes from both sides. We have been hearing of the concept of social enterprises from the investment world – “Impact Investing” -and businesses also want to create a social enterprise.

What's the difference between a purely business enterprise and a social enterprise? The business people want to see the benefits like care of the environment, care of people's lives and livelihoods in measurable terms and not just the ROI. So they have the balanced scorecard. This will be attractive for stock market investors too, provided they don't focus only on the ROI. There is even a discussion going on about creating a Social Stock Exchange.

Q: Why we do consider human development index when the GDP has not given equitable distribution of wealth? What is the way forward?

A: I agree. The people who have to govern must themselves find out what they want to govern and how they want to measure us by this yardstick.

I keep quoting German organizations because they have done some great work. The Bertelsmann Foundation, a few years ago looked at which countries were doing the best in terms of all round development including environmental care, inclusion of people in social and economic progress, etc .

Finland was right on top of the list. Bhutan, Costa Rica and a few other small countries, Sweden, Germany and Denmark were fairly high on those indicators. How did these countries do it? That's the more important question for management and governance.

They found that there is a large public conversation about what they care for in a society. This is what the Germans already are asking about themselves. So in the Covid, what are we recovering from? In our haste of crisis management, what after-effects are we creating? This must be a public

conversation in which people can speak clearly on what they care about and what they don't like.

Public conversations happen very much in seminars like these. I would urge the MMA to convene and organize very effective public conversations. "What is the society that we care about?" This must be the theme and it is more important than talking about management techniques.

Technology is just a method of doing things. The question is what we want to get done out of it. The nuclear technology can be used to destroy the world just as much as it could be used to create abundantly clean energy. When Electricity was introduced, we had to impose regulations. Motor cars are good for transport but we had to introduce driving license system. Social media is causing today more harm to the quality of the society than good. There is a big debate right now about the regulation to go with that.

Q: Do you think that the new education policy will make an impact on the society?

A: The purpose of education is to enable every child in this country to have an equal opportunity to make his or her own life. It doesn't happen by just giving the curriculum in the books.

If we want to have equality of opportunity, then we cannot be having some private schools which give high class technology and facilities on the basis of students paying for these services. It is fair that you pay for what you get. They are not doing anything illegal. But the problem is that people who cannot afford this are clearly disadvantaged.

All the studies in the United States in the last three to four years have pointed out that the good quality of education in the Ivy League schools of the US and the private schools is creating further disparities between the generations.

Education is supposed to be generational leveller. We must have an inclusive society. Quality education must be accessible to everybody free of personal cost. It will have to be a social cost and to pay that social cost, the government needs money. If the rich people have their hearts in the right place, they will be ready to

pay higher taxes. Even with what they are left with after paying the taxes, we can accommodate a lot inside our “bus of economic growth.”

Q: Why would an investor part with his hard-earned money if the company is not going to generate profits, pay dividend and just spend on welfare measures for society? Every welfare country has huge individual taxes -be it Sweden, Norway, Denmark where 60% tax is an average? Is India prepared for such high taxes?

A: I am asking the same wealthy people. Were you born into this world to look after yourself and to make more for yourself? Why did Nature bring you into the world?

Q: What are your views on governance in the country in the last 25 years or so from the advent of economic reforms and IT revolutions?

A: The economic reform has been very confused. In 1991, we threw out the baby with the bathwater. We had an overly controlling bureaucratic system, trying to manage the economy. What came in 91 was that “government is bad; so let's have no government.” Ronald Reagan in his inaugural address said, “In this present crisis, government is not the solution to our problem, government **is** the problem.”

This expression found favour with our elite; even now, in the last few weeks, when these people debate the New Economic Policy, you will hear them arguing for privatising of education and that only then, we will have good education. This is an ideological bias. The people here must apply their minds openly to reality, looking at the system as a whole. We must start to be good learners and look at things around us.

In opting for a capitalist economy versus State economy, we should not be too far either way. We have to combine the necessities from both together. We need to have discussions and more importantly, have the views of the poor people on board.

Vote of Thanks

Group Captain R Vijayakumar (Retd), VSM, Executive Director, MMA



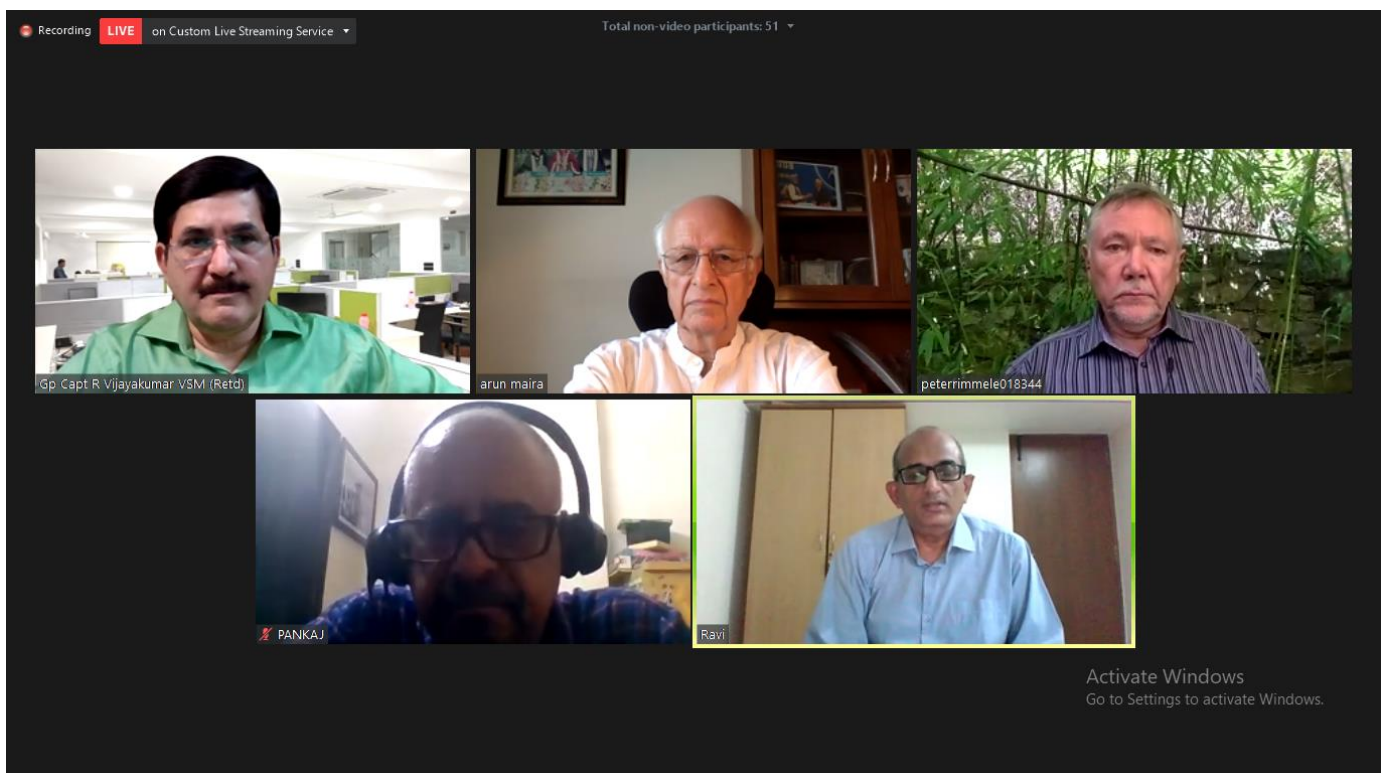
Group Captain R Vijayakumar (Retd) thanked **Mr Peter Rimmele**, Resident Representative to India of KAS for his introductory remarks and the great support extended to MMA. He thanked **Mr Arun Maira**, the guest speaker for his highly enlightening speech and for answering all the questions posed by viewers in the Q&A session.

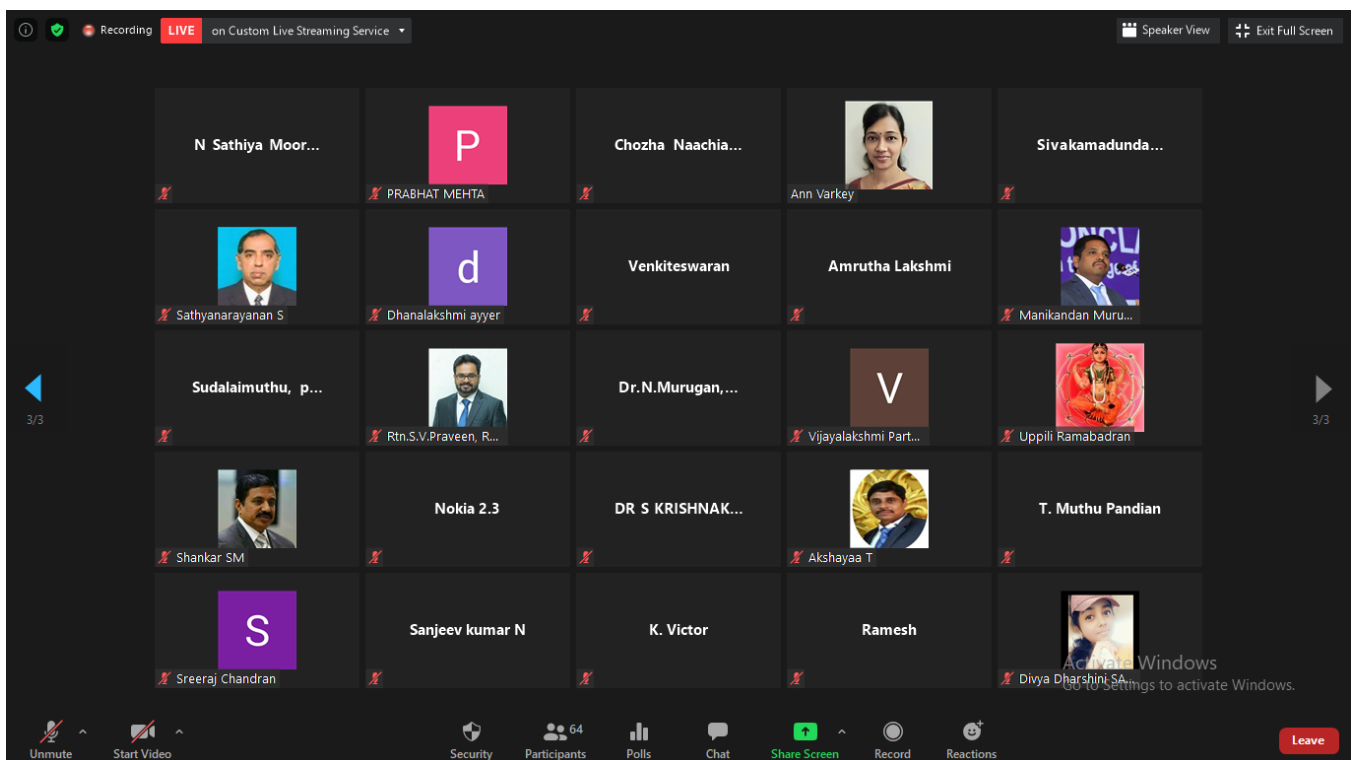
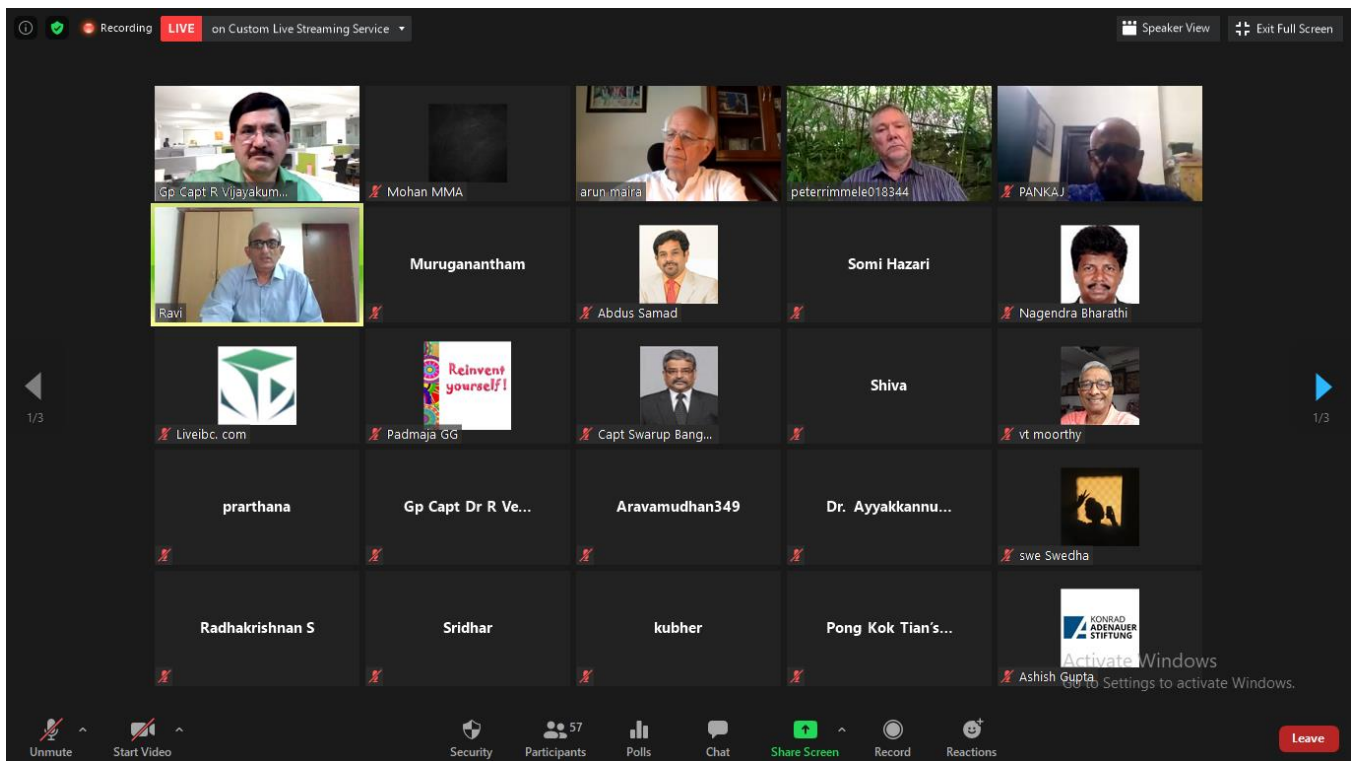
He thanked **Mr Pankaj Madan** of KAS, members of MMA and all the online viewers before signing off.

The event concluded at 7.30 PM.

Photos

Photographs taken during the Live Talk under the 'Leaders Speak Series' on the theme: "Covid and 'New Normal' in Governance"





Links for the Recording

Covid and 'New Normal' in Governance

We are pleased to share that the recording of the event is available for viewing through the links indicated below:

Website:

www.liveibc.com/mma/

YouTube:

<https://youtu.be/0ho542g3Zhs>

Facebook:

<https://www.facebook.com/watch/?v=2773185282950750>

←→
The response to the event was excellent and a larger number of viewers logged in live through Zoom, MMA Live webinar, YouTube and Facebook.

Total Number of Participants:

Zoom: 70

YouTube: 173

Facebook: 203

MMA Webinar: 670

Total number of participants at the event –1116



The Partners

About Madras Management Association (MMA)

Madras Management Association (MMA) was established in 1956 with the prime objective of promoting management education, training and development activities in this part of the country. The vision of MMA is “To be the Fountainhead of World class Management Excellence in India”.

Over the past six decades, MMA has striven for development and nurturing management expertise, combining Indian ethos with International Management thoughts and practices. MMA has contributed immensely to the enhancement of management capability in this part of the country, and in particular Tamil Nadu and Puducherry. MMA has over 7000 corporate houses, industries, professionals, academics and executives on its rolls as members. MMA annually organizes about 750 executive development activities, including seminars for top management with a total participation of fifty nine thousand executives and entrepreneurs.

MMA is the largest affiliate association of All India Management Association (AIMA) in the country and has been adjudged as the Best Management Association in India by AIMA for ten times in a row including the “National Excellence Award” for the year 2017-18.

The activities of MMA are planned to achieve managerial excellence in the functioning of industries and professional managers in Tamil Nadu and Puducherry. In this direction, MMA chapters have been established at various towns in Tamil Nadu mainly to cater to the needs of SMEs. Nine such MMA Local Chapters at Ambur, Attur, Erode, Hosur, Namakkal, Salem, Sri City, Trichy and Puducherry are functioning effectively.

Apart from corporate leaders, MMA has, in its Managing Committee, the Vice Chancellors of Madras University & Anna University, the Directors of IIT Madras and IFMR and the Chief Secretary, Government of Tamil Nadu, as members.

OUR VISION

To be the Fountainhead of World Class Management Excellence in India

OUR MISSION

- Synthesise Indian Ethos with international management thought
- Be a reservoir of expertise in management
- Inspire individuals to actualise their potential
- Nurture creativity and originality

About Konrad-Adenauer-Stiftung (KAS)

The Konrad-Adenauer-Stiftung (KAS) is a German political foundation, with a strong presence throughout Germany and all over the world. Freedom, justice and solidarity are the basic underlying principles of the work of the Konrad-Adenauer-Stiftung.

With more than 100 offices abroad and projects in over 120 countries, it makes a unique contribution to the promotion of democracy, the rule of law and social market economy. To foster peace and freedom KAS encourages a continuous dialogue at the national and international levels.

Human beings in their distinctive dignity and with their rights and responsibilities are at the heart of its work. KAS is guided by the conviction that human beings are the starting point in the effort to bring about social justice and democratic freedom while promoting sustainable economic activity. By bringing people together who embrace their responsibilities in society, KAS develops active networks in the political and economic spheres as well as in society itself. The guidance it provides on the basis of political know-how and knowledge helps to shape the globalisation process along more socially equitable, ecologically sustainable and economically efficient lines.

KAS cooperates with governmental institutions, political parties and civil society organizations building strong partnerships along the way. In particular, we seek to intensify political cooperation at the national and international levels on the foundations of our objectives and values. Together with our partners we contribute to the creation of an international order that enables every country to develop in freedom and under its own responsibility.

The Konrad-Adenauer-Stiftung has organised its program priorities in India into the following working areas:

1. Foreign and Security Policy
2. Economic and Energy Policy
3. Rule of Law and local Self-Government
4. Social and Political Training and Development
5. Indo-German Parliamentary Dialogue programmes

The Konrad-Adenauer-Stiftung's India office takes great pride in its cooperation with Indian partner organisations who implement jointly curated projects and programmes.
