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Why business stars in the world's biggest democracy are running for office. By *James Crabtree*

INDIA'S NEW POLITICS

APRIL 26/27 2014

FT Weekend Magazine

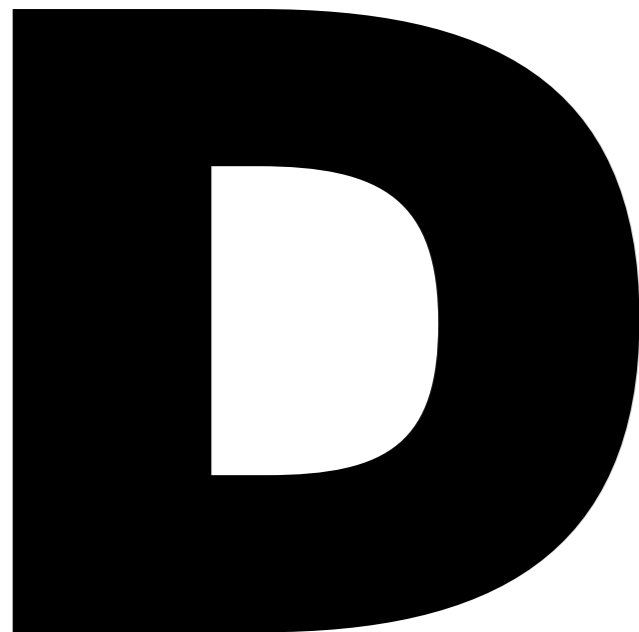
SUPPLEMENT OF THE YEAR



INDIA'S NEW BROOMS

It is the world's biggest democracy, and its voters are demanding change. On the eve of national elections, *James Crabtree* meets the business leaders who are taking on the old political guard

Billionaire businessman and Congress party candidate Nandan Nilekani, part of the new wave of executives who are entering Indian politics



iving home in the gathering darkness, Nandan Nilekani seems tired. His car crawls through Bangalore's chaotic streets after a gruelling day of glad-handing, dense crowds and half-a-dozen speeches. Sitting in the back seat, the billionaire business executive-turned-aspirant politician coughs slightly as he talks. The man who first uttered the phrase "the world is flat" appears deflated. Nilekani coined that phrase more than a decade ago, sitting with US journalist Thomas Friedman in his office at Infosys, the IT business he co-founded in the early 1980s. A pioneer of the outsourcing industry, Nilekani is one of India's most celebrated technology entrepreneurs. More recently he has led a gigantic government effort to give digital identity numbers to each of his country's 1.2 billion people. Yet his biggest challenge, he says, is breaking into the closed world of India's parliament as a candidate

India's system of government sits at the heart of its troubles: unable to act, dominated by calcified dynasties

for the Congress party. "It's the toughest thing I've done, easily the toughest," he says, without smiling. "We took Infosys public. That was a non-stop three-week global roadshow. But this is twice as long... It's hard work, a 24/7 job." He is saying this in mid-March, four days after his official campaign kicked off.

Nilekani's aphorism about a flattening world – which went on to become the title of Friedman's best-selling book – came to encapsulate a new era of globalisation and the economic and political growth of emerging markets. It was a moment of heady Indian optimism. Back then, the country's democracy seemed a source of strength, providing a long-term institutional edge in the race to catch its autocratic Chinese neighbour.

Little has gone to plan. Growth slowed. Corruption ballooned. Confidence ebbed. And India's system of government now sits at the heart of its troubles: gummed up, unable to act and dominated by elderly leaders and calcified political dynasties, most obviously the Gandhi family that heads its deeply unpopular Congress-led coalition government.

Nilekani defends Prime Minister Manmohan Singh's administration and remains upbeat about his country's prospects. But he admits that this election – the largest in history, with results due on May 16 – comes at a moment of national self-doubt. India's democracy seems closed off, as if unable to adapt to the growing ambitions of its people. "The political system was designed so outsiders can't come in," he says. Historically, those from the country's professional business elite have rarely even attempted to join it. "Why would the system want an outsider, when there are already enough competing insiders?"

With his stellar career and considerable wealth, Nilekani is no stranger to India's upper strata. Even so, he says that he agonised over entering elected politics. But driven by frustration over the narrow remit and limited legitimacy of his most recent role as an appointed bureaucrat, he jumped into the race for Bangalore South, becoming India's highest-profile electoral newcomer. But he is not alone. This election will be among the most significant since India's independence in 1947, ushering in a new prime minister – Singh announced in January that he would not seek another term – with ambitions to reverse a deepening slide into graft and stagflation. But a quieter revolution is under way too, as a mini-wave of new candidates drawn from the country's professional classes tries to elbow its way into a political system long dominated by hierarchy and blood ties. "At this election in India, the arrival of unconventional politicians is unprecedented," Nilekani says. "It shows the churn that is happening in the country. The voters are demanding it."

Two relative outsiders have come to dominate India's electoral race. The first is Narendra Modi, head of the opposition Bharatiya Janata Party and chief minister of the state of Gujarat. A former *chai wallah*, or tea-seller, he stresses both his administrative competence and limited political lineage. His campaign message has succeeded in blunting criticism over the bloody riots in his home state that led to the deaths of hundreds of Muslims in 2002, shortly after he took power. Polls predict that he will emerge as prime minister once the votes are counted.

Modi draws a pointed contrast with Rahul Gandhi, Congress frontman and the latest in its ruling family dynasty, who is set to lead his party's election campaign to one of its worst polling performances. Both Rahul's grandmother Indira and his father Rajiv were prime ministers, and both were assassinated; his grandfather Jawaharlal Nehru was the nation's first leader after



Meera Sanyal, former head of Royal Bank of Scotland's Indian operations and now a candidate for the AAP, campaigning in Mumbai

independence. But the family's brand is now toxic: although Gandhi heads his party's polling effort, he has not been named as its candidate for prime minister, partially protecting him from responsibility in any rout.

Arvind Kejriwal is the second outsider, the leader of the Aam Aadmi, or Common Man, Party. He first leapt to prominence last year, riding a wave of popular disgust over what many see as the Congress party's record of corruption and crony capitalism to prevail unexpectedly in elections in the country's capital city New Delhi. Since then the AAP's faltering moves to fashion a national political operation have tempted hundreds of novice candidates into India's election, ranging from journalists and academics to environmental activists and business leaders.

"Narendra Modi and Arvind Kejriwal – their appeal is precisely that they are not dynastic politicians," says historian Ramachandra Guha. "Each has explicitly positioned themselves against [Rahul Gandhi]." He argues that the prominence of such figures hints at a slow ebbing of dynastic power, perhaps with an influx of what he calls "public-spirited professionals" to come in its place. "You are seeing a gradual erosion of all this. People are angry."

That anger is on full display as Nilekani sits alone under bright studio lights, fielding questions at a televised election forum in

A flimsy state and weak political parties make kinship ties important

Bangalore. One audience member declares Congress to be "the most corrupt party". Others attack Gandhi's suitability to be India's prime minister; Nilekani, one questioner says to applause, would be a better option.

Nilekani defends his party while selling himself as a business-minded "problem solver" with a clean, can-do record. He signed up with the Congress party because he agreed with its secular outlook, he explains, criticising the Hindu nationalist stance of Modi's BJP. He and Gandhi also share a belief in openness, he says: "India has a closed system... only a few thousand people control the lives of one billion, and we want to change that and let more people participate. It's a very important idea."

The old familiar connections still dominate many areas of Indian life, including business, and around a third of members in India's lower house of parliament have relatives who are also elected politicians – one of the highest such ratios in the world. As a result, India's government has come to be "remarkably dynastic", according to political scientists Kanchan Chandra and Wamiq Umaira. This is partly because a flimsy state and weak political parties make strong kinship ties politically important. Political power has also become an ever more important mechanism for securing wealth in recent decades, argues academic Devesh Kapur at the University of Pennsylvania. "This must make passing power from father to son more valuable," he says.

Despite having negotiated his way into this world, Nilekani retains the measured tones of a private sector executive. The suits might be gone, replaced on the campaign trail by casual open-necked shirts and sandals, but he becomes most energised when talking about technocratic solutions for his country's many problems – a belief in social engineering that, he says, lies behind his desire to hold higher political office.

"My background is putting in large systems that change lives... The right kind of systems can bring honesty and efficiency. If you put in a world-class procurement system, you won't get problems allocating coal," he says, referring to a recent corruption scandal over mineral rights. Other challenges – from rural poverty to Bangalore's dismal transport infrastructure – can be fixed with similar approaches, he says.

Some believe Nilekani has his sights set on the very highest office, and though he denies that his ultimate aspiration is to lead India, he talks like a man eager for the national stage. "The fundamental strategic benefits of India are still there," he says, reeling off a familiar list of the country's strengths that includes its youthful population and widespread English-language skills. "India's challenge is more execution." He cites another billionaire-turned-politician, Michael Bloomberg, the former mayor of New York, as his inspiration. "It's all about the plumbing... You can't be an agitator, you have got to get in and solve the whole problem, knock heads together."

On a warm spring evening Meera Sanyal, another former executive trying to steer her way to election victory, is waiting on a roadside near one of south Mumbai's more famous Hindu temples. Cars stream by but the smell of marigold blossom hangs in the air. A ragged holy man dressed in black sits cross-legged on the pavement, selling lotus flowers to passing worshippers.

Ready for an evening of street campaigning, Sanyal wears an orange and yellow sari topped off with the distinctive white ▶

Nilekani fields questions during a televised forum in Bangalore, where a suggestion that he would make a better prime minister than Rahul Gandhi was met with applause

ASMITA PARELKAR; MAHESH SHANTARAM; GETTY; BLOOMBERG; LIVING MEDIA INDIA LIMITED

'Narendra Modi and Arvind Kejriwal – their appeal is precisely that they are not dynastic politicians'

India's outgoing prime minister Manmohan Singh



Rahul Gandhi, the latest politician in the famous ruling dynasty, in Maharashtra. If the polls are to be believed, he is leading the Congress party to electoral disaster





An AAP campaign truck on the streets of Mumbai, adorned with the brooms that symbolise the party's mission to sweep away corruption

◀ peaked cap of all AAP supporters. A few dozen people join her, sporting signs with hand-written slogans and brandishing the old-fashioned brooms that symbolise the party's plans to sweep away corruption.

Sanyal spent three decades in finance, rising to become head of Royal Bank of Scotland's Indian operations. During the country's previous national election in 2009, however, she decided to run as an independent candidate in her home city. She was angered by the incompetent government response to Mumbai's terror attacks the year before, when gunmen attacked prominent targets, including the Taj hotel.

"A lot of us are armchair critics, or at least I was," Sanyal says, referring to India's professional elite. "After the attacks, I said 'That wasn't good enough.'" So she stood, only to lose badly to a Congress opponent who happened to be the heir to a powerful political family. This time she joined AAP, attracted by its hard line on graft and the zeal of its leader.

Sanyal and her supporters head off through the crowded streets, chanting slogans and swishing brooms. It is a precarious task, handing out leaflets to passers-by while avoiding potholes and weaving through roadworks. Drivers honk loudly as they pass, although it is impossible to tell through the din if any intend this as a signal of support.

Rounding a corner, a cheer goes up when Sanyal's group spots a jewellery shop bearing the name Reliance, the conglomerate owned by industrialist Mukesh Ambani, India's richest man. Ambani lives close by, in a towering skyscraper building that is reputed to be one of the world's most expensive residences, and has been the frequent target of the AAP's campaign attacks over crony capitalism. Sanyal's team cheerfully wave their

'It's like a start-up. Lots of energy, lots of good ideas, lots of mistakes'

brooms at the shop's staff, who smile back from behind the thick glass windows.

Later that week, I watch Sanyal attempt to win over a late-night gathering of young professionals, crammed into the living room of an apartment in the south of the city. She sits at the front, white cap affixed. "I had stood for election but I had lost," she says. "The paradigm in India was good people can stand but you can never win. You can't win without a war chest of money, without being the son or a daughter of a politician, or a criminal... Those were the categories that got you into the closed club."

Some private sector leaders have muscled their way into this club, although most have emerged from the more buccaneering end of India's business spectrum. India's public have come to venerate business figures such as Nilekani and Sanyal, who embodied their country's rising promise in the decades since economic liberalisation, but they were rarely able to vote for them, with any electoral aspirations too often blunted by a well-trenched political establishment.

The AAP, Sanyal contends, is part of a break with that past. "For those from the corporate world, I'll say it is like a start-up: lots of energy, lots of good ideas and lots of mistakes." Those ideas see Sanyal backing a much harder line against India's business elite, who she says now behave like the "robber barons of America or the oligarchs of Russia". The power of tycoons such as Ambani must be curtailed, she argues, and systematic anti-corruption laws, such as those found in Britain and the US, should be introduced. "You can send some people to jail, for a start."

Hazaribagh in the eastern state of Jharkhand is roughly 1,800km from the relative prosperity of Mumbai, but heading out for a day of electioneering with the BJP's Jayant Sinha, it feels a world away. Nestled in India's Hindi-language heartland, it sits squarely within the "cow belt", a vast and populous area whose votes will prove decisive in the coming election.

Sinha dresses conservatively, sporting a traditional saffron kurta and a scarf with a lotus flower image, the electoral symbol of the Hindu nationalist party. Yet his elegant rimless glasses and mild American twang hint at a different background: a Harvard Business School degree; a partnership at consultants McKinsey; and a more recent role in Mumbai, running the Indian arm of a technology investment fund set up by eBay founder Pierre Omidyar.

"This is one of the poorest, most deprived parts of India," Sinha says of the state where he was born. "Jharkhand ranks right at the bottom, with the worst African countries." It can be dangerous too. Heading out of Sinha's family compound, our three-jeep convoy includes one vehicle packed with half a dozen armed guards. Many villages nearby are controlled by Naxalites, India's Maoist rebels.

Sinha seems energised. He had launched his campaign the day before with a 20,000-strong rally and a speech attacking the sins of the Congress-led government. But he also had another advantage: sitting alongside him was his father, Yashwant Sinha, a veteran party leader and former finance minister. The BJP nominated the son for the seat after the father had announced that he planned to stand down.

"It is very difficult for someone with my kind of background to come to an area like this, without having the support of my

father, for instance," Sinha says. "In fact, I would say it is just about impossible... A lot of people think I'm quite crazy to do it." He argues, however, that his lengthy professional résumé would have given him a fair shot of running in an urban area such as Mumbai.

Driving through the countryside, we see the changes that have come over India. The roads are improving, Sinha says; most houses now have some electricity. Mobile-phone towers whizz by, as do hastily constructed homes with satellite dishes on their roofs. Yet the area remains undeniably poor. Piles of bricks dot the roadside, ready to replace the mud huts in which many villagers live, when money can be found. Women trudge by in the morning heat, carrying vats of water on their heads.

The convoy bounces from village to village along single-track roads, until the guards call a halt. The next area is Maoist territory, they say. We turn back. At each stop, a small crowd gathers. Loudspeakers fixed to the top of the lead jeep blare out Bollywood tunes, with bubbly lyrics adapted in praise of Modi and his party.

Sinha bounds out of the vehicle to the cheers of local supporters and gives a rousing speech. Only when it ends do the villagers crowd round, asking for help with basic problems. "There is so much poverty here," says one elderly woman dressed in a green-and-blue polka-dot sari, her skin weathered by the sun. "The politicians come but our electricity doesn't work, we don't have enough to eat."

Back at home, Sinha fizzles with ideas. His technology background sees him enthuse over solar-powered irrigation systems and mobile banking. At a deeper level, he says, candidates with his type of background can help to bring about a decisive

'A rapidly urbanising India is going to be less accepting of dynasties, more open to new types of candidates'

BJP candidate Jayant Sinha campaigns in rural Jharkhand, an area beset by poverty



ASMITA PARELKAH; 2013 HINDUSTAN TIMES; GETTY

break in India's economic system. "We need a vastly more entrepreneurial type of capitalism," he says. "And that means getting rid of the state-dominated and crony capitalism that grew powerful under this government."

Indian politics remains a tough calling, he says. There is little money, if you stay honest. (Indian MPs are paid a base monthly salary of Rs50,000, or \$834.) Sinha considered running "literally for decades", long enough to build up a cushion. "We walked away from a comfortable lifestyle in America to come and serve. The opportunity cost is very high but it's going to be worth it."

Whether the gamble works, of course, depends on his electorate. Along with both Sanyal and Nilekani, Sinha projects confidence while admitting that he has his work cut out. This trio of newcomers faces formidable opponents, in complex constituencies with close to two million voters apiece. The odds that all three will prevail are slim. Nonetheless, even their decision to stand is a sign of wider change brewing: the new class of MBA-wielding professionals who rose to dominate India's boardrooms now wants to exercise power of a different sort.

The election these candidates are fighting remains about personality – about whether Modi will beat the Gandhi family, and in turn whether the latter's dynasty will survive. But this new generation of aspiring politicians reflects a more profound underlying development, one in which India's growing middle classes are demanding more from a political system that, at best, has tended to reflect the interests of the rural poor and, at worst, served only the whims of those already in power.

Indian democracy will not be changed instantly when the results are announced in May. The odds are that most powerful dynasties will survive, at least in the short term; indeed, there is evidence that many voters warm to inherited political power, on the assumption that those who wield it are more effective at working the system in the interests of their constituents.

But in coming elections the seeds cast in 2014 are set to grow, as India's population becomes wealthier and more educated and moves in increasing numbers to its cities. "A rapidly urbanising India is going to be less accepting of dynasties, more open to new types of candidates," says Ashutosh Varshney, a political scientist at Brown University. "Political lineage will still provide some advantage but it will no longer be a guarantee." Demands for cleaner governance, liberal rights and improved public services will follow too.

India is not alone on this road. Other nations have felt similar pressures. But it is precisely the power of this broader pattern that makes it difficult to turn back, as Sanyal argued during her evening event in south Mumbai. "From India against corruption to the Arab spring and Tahrir Square, to Occupy Wall Street and the United Kingdom Independence Party in Britain – all over the world we have seen movements of people expressing anger against the political system and their old political leaders," she says, arguing that comparable forces are now at play on India's streets and in its polling booths. "This is not the Arab spring but the Indian monsoon. It's gentler and cleaner. And in time it will sweep all this dirt and corruption away." **FT**

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'We walked away from a comfortable lifestyle in America to come and serve'



Arvind Kejriwal, sporting the distinctive white peaked cap of AAP supporters, campaigns in Ludhiana



The BJP's Narendra Modi, chief minister of Gujarat and the man the polls predict will become India's new prime minister