4. Calcutta

I joined the Indian Institute of Management, Calcutta (IIMC) in February 1965 as a research fellow, equivalent in rank to a university lecturer and was promoted within two years to the rank of an Assistant Professor, or reader in university terminology. The story is worth telling. After working with Krishnan on the projected FCI operations, I began working on some problems in probability distribution theory. I had the good fortune of having J K Sengupta (JK) as a senior colleague who along with Krishnan helped me a lot in my professional advancement. TNK asked me to share with him the teaching of a course on Demand Analysis (requiring a fair dose of quantitative methods) in the post-graduate programme. And JK left the teaching of Econometrics almost wholly to me. I enjoyed teaching; the students were of course among the best in the country, many of them IIT (Indian Institute of Technology) graduates, having come through several sieving processes and the horrors of entrance examinations at different levels from which only the best and the most enduring emerge with success to claim the final IIM prize. They enjoyed the classes taken jointly by JK and me, with JK holding forth on intricate theory and me trying to translate some of it into somewhat plainer language. JK simply forgot the audience in front and would suddenly veer to something like the Pontryagin Principle or Bang-Bang Control – sounds the students loved to hear without having a clue to what they are all about. I was left with the task of teaching them how to invert matrices (of orders 3 or even 4) on hand-operated Facit calculating machines of those days. Amazingly, the students were up to the task: they did regressions using data they collected for their individual project work – such as the demand for fertilisers in India, and produced good reports that inevitably earned them A grades. (The student who did the classroom exercise on demand for fertilisers later became a top executive in the Fertiliser Corporation of India.) As I said before they were the brightest and the best in the country and could absorb all that came their way in a classroom and the library.

To conclude the story about my promotion: In 1967, I had no publication to my credit or a PhD under my belt. Going up the ladder was solely based on my demonstrated ability to teach courses independently, not as

an assistant. Indeed, the IIM system of those days allowed for this – something unimaginable these days with rigid rules for recruitment and promotion monitored by bodies totally ignorant of the worth of teaching or research and how it has to be assessed.

IIMC of those days was undoubtedly the best place I ever worked in, in terms of the environment for the pursuit of one's own research agenda. We had to do about a hundred hours of teaching in a year covering about two courses over two terms over a period of roughly six months. This meant that we earned our salaries by doing just that and were free to do what we liked in the remaining six months; nobody ever asked us questions about what we were doing with the free time, although career advancement did depend on its use. The freedom did not of course fall from the sky. It was partly due to the extraordinary vision of KTChandy had of institutions for higher education, and his adroit ways of getting the right scholars for faculty positions. How he developed these remarkable attributes is a mystery, given that all his professional life he was as a 'boxwala' with the Hindustan Lever. Chandy once asked me to spend some time with an applicant for a senior position in sociology and later asked me whether in my opinion the applicant was a good prospect – although I was then in a lowly lecturer rank. Can you imagine such a thing happening in any academic institution then or now? I must tell you the applicant didn't get the job after 'interviews' by a few other senior and junior colleagues as well; I remember the vote against him was unanimous.

I learnt later that as a student in London Chandy rubbed shoulders with Alice and Daniel Thorner, P.N.Haksar and a number of other left-leaning intellectuals associated with VKKrishna Menon's India league including Jyoti Basu. He must somehow have cultivated later in Bombay his admirable social values progressing from those London days even while devising ways to exist as a top executive in the Levers shop. Chandy was for a brief period, many years later, the vice chairman of the State Planning Board in Kerala, but he was already in a fading phase, the best part of his professional life behind him and not having much political leverage for doing things his own way in Kerala. But the man held his poise and self-assurance in dealing with politicians including Achutha Menon the chief minister and the bureaucrats ruling the roast. I had the

good fortune of spending some time with him here in Hyderabad when he came to preside over a Daniel Thorner memorial lecture that I gave in 1992. A wonderful mentor of mine he lived a full and eventful life crossing the ninety mark in age.

Academic freedom at the IIMC was fostered by senior professors like Ashok Mitra a distinguished economist, who later moved on to Delhi as the chairman of the Agricultural Prices Commission, and further on become the chief economic adviser to the central government, and Surajit Sinha, a reputed anthropologist, later to preside over the Anthropological Survey of India, and to head Viswa Bharati (a university located in Santiniketan) as a vice chancellor, and still later to head the Centre for Studies in Social Sciences, in Calcutta, where once again I became his colleague. Interestingly, the IIMC faculty was divided on many issues but united in zealously guarding their freedom to do things without outside interference. Let me explain: Broadly there were two factions, one of scholars doing research in their own disciplines regardless of the utility or relevance of such work for management education; and in the other faction colleagues did consultancy and other types of work they thought was most appropriate for such institutes. There were serious factional fights on many matters, for example on the syllabi for courses, but on issues involving faculty freedom and rights there was always total unity. At one time the united faculty successfully removed a director (Krishna Mohan, Chandy's unworthy successor, another boxwala from the Lever house) and replaced him with someone they chose (M.Krishna Murty) from their own ranks.

In the economics group that I was formally associated with, I had Ranjit Sau, Nirmal Chandra and Paresh Chattopadhyay as colleagues. The three of them joined the Institute soon after I did and a few months before Krishnan left to join the UN in the economic policy division. They all had interests mostly in the Indian political economy, although they were keen also on studies of other economies like that of the Soviet Union or China. I began working on some distribution problems in probability. In doing that I was lucky to have had Manish Bhattacharjee (sadly no more) in the quantitative group of the IIMC as a collaborator, and with whom I published a couple of papers on 'fat-tailed' distributions (such as those of assets and income characterized by extreme inequality). My interest in

the Indian economy arose from an unexpected request by some friends linked to some trade unions, looking for some sense in the vast data on agricultural wages in the different parts of the country. I did that and it was a very significant moment in my own future as an academic, with well-defined interests for study. A paper on agricultural wages in the *Economic and Political Weekly* (EPW) started me off on work on the Indian economy.

That paper was published in the EPW in 1971 and I remember it for two reasons. One, I established in the following months and years a lasting friendly relationship with Krishna Raj (editor of EPW) after its publication. Second, a paper using the methodology suggested in my paper, written by AVJose in 1973 at CDS on issues not covered adequately in my original paper became a standard reference to the subject for many years. Jose has continued pursuing agricultural wages to this day. I have a special alternative name for him: Agricultural Vages Jose. I followed up the wages paper with one on wheat prices. In writing that I was influenced by a note that Ashok Mitra had written, which later he expanded into his celebrated book entitled "Term of Trade and Class Relations". In the main, he argued there that there was an alliance between the bourgeoisie and rural oligarchs at work in India at that time, that is the late 1960s and the 1970s, through which the bourgeois classes got the electoral support of landlords who then commanded many aspects of rural life in exchange for high agricultural prices (secured in part through high procurement prices). I examined wheat price trends within a framework derived from Ashok Mitra's work. The paper finished in 1972 was published in the *Economic and Political Weekly* (EPW) only in June 1973, after I joined the Centre for Development Studies (CDS) in Trivandrum. Krishna Raj, editor of EPW was impressed enough by it to cite it in some editorials published later on questions relating procurement policies, and whether they mainly benefit consumers or producers, and so on. Since the 1980s the terms of trade have moved adversely for agriculture and the Ashok Mitra thesis was no longer valid. Indeed, the power of rural oligarchs has been curtailed to some extent. But not wholly so, as they still control votes.

At the IIM Calcutta I was on very friendly terms with not only academic colleagues but also with the administrative staff and those working in the

library. Indeed, I played a significant role in building up the library collection of published material relating to the Indian economy. I must conclude my IIM story on a somewhat sad note. During my stint at the Centre for Studies in Social Sciences, Calcutta – 1979/89 - I felt the need for a change in the work environment and opted to go back to IIM for a year. This was in 1986. I found then that I no longer felt the sense of belonging that I used to experience earlier during my first spell – 1965/73. For one thing, I now had to lecture to 200 students, wired suitably with a mike. Earlier I never needed a mike, addressing, as I used to, some 70-80 students out of a possible maximum of 100. Another loss was my good links with the non-academic staff, the composition of which has changed during the 13 years I was away from the Institute.

Ashok Mitra: Some personal memories

I met Ashok Mitra for the first time in February 1965 when I joined the Indian Institute of Management, Calcutta (IIMC) where he was a senior professor. I got in there at the bottom of the academic hierarchy at a time when he was at the top. What surprised me most then was the manner in which he nevertheless began treating me as an equal in many respects. Not many days after my entry into the IIMC he took me to his residence on Hungerford Street and introduced me to his wife Gauri and to his impressive book collection. Finding that I was then reading Ian Fleming and Alistair Maclean, he told me about Eric Ambler, describing him as a writer of intrigue cleverly clothed in crime and espionage, involving seemingly ordinary people. No guns and gadgets of the James Bond type there for you, he told me jokingly. When he went on to talk about Raymond Chandler I could say I read a few of his books. He then told me about Georges Simenon and inspector Maigret (as unique as Sherlock Holmes or Hercule Poirot) and how in crime writing there can be much literary merit apart from suspense and thrill. Needless to say, I borrowed regularly from his library. I'm better educated now in crime fiction and thrillers – and addicted to them - thanks to those early lessons from AM.

So, I thereafter became a regular visitor to the Mitra home for tea, snacks and books. I went also to parties and *addas* there, at which eminences like Sukhomoy Chakravarty were present. Ashokda with his uncanny ability

to extract personal histories and remembering them all over many decades – along with full names of persons involved - soon knew all about me. (Example: Many years later, he reacted to my obituary note on TNKrishnan in the *EPW* written jointly with A.Vaidyanathan, reminding me that TN's initials stood for Thippalaserry Narayanan, a detail missing in that tribute.) He would introduce me to others saying "he reads crime and plays bridge, so he must be alright". A story to tell: at the IIMC we played bridge during the lunch hour, AM participating often. Everybody at the institute knew about it and how the play sometimes extended beyond the lunch hour. But the presence of AM prevented criticism. Occasionally Ashokda would come with us during lunchtime to places like the reputed Gyan Babu's cabin (if I remember the name right) in College Street or to the Chinese restaurant Nangking on the Central Avenue for beer and relaxed eating. Other times, he'd ferry me along with friends Sabyasachi Bhattacharya and Satrajit Dutta to the Park Street bars in his car.

He showed me during those early days a paper he wrote on the politics and economics of state intervention in the agricultural and food sectors, which he expanded years later into his much acclaimed work entitled "Terms of Trade and Class Relations". The argument in it was that there was an alliance between the urban ruling classes and the rural oligarchs that was steering the Indian economy with policies that ensure benefits to both of them at the expense of the poorer classes everywhere, both in rural and urban areas, This policy impedes industrial development as well because food expenditures dominate in household budgets, leaving residual incomes for the products of industry. He asked me to produce a mathematical model sketching the substance of his paper. I managed to do that but felt that the model like any other depends very much on the assumptions made. I felt that an empirical justification of the assumptions made, in other words of the reality of the hypothesised alliance and how it is influencing prices, was more important than formalising the thesis in algebraic terms. A few days later he showed me a letter from Amartya Sen expressing sentiments similar to mine in reaction to his paper.

Soon afterwards, he left the IIMC to assume charge as chairman of the Agricultural Prices Commission (APC) at the Centre in Delhi. That was an ideal position for him, because he was then seriously concerned about

high food grain prices and their impact on poor farmers and agricultural labour families who are net buyers in the market for grain; only the big farmers gained from high prices. He wrote several APC reports subsequently, which stand out as gems in economic and political analysis and for their continued relevance to the Indian economy. But these discourses had no influence on the actual policies implemented by the government whose sole purpose at the time was to support the producers of wheat in the northwest (mainly the Punjab-Haryana regions and west UP) under the emerging green revolution technologies. This policy hurt poor consumers everywhere.

After a short stint at the APC, he continued at the Centre as chief economic adviser (CEA) to the government then headed by Indira Gandhi. This was (and always is) an exalted position in the policy-making bodies, and, naturally, AM thought that he could veer policies 'from within' in the desired direction. Many of us in Calcutta close to him at that time (Amiya Bagchi, Nirmal Chandra and others) did not share his optimism. He remained an optimist forever. "If you lose faith, there's nothing else for you to live for", he once told me. He however could not influence economic policies to the extent he wanted to, and indeed was thwarted in his attempts to bring in some essential changes by the powers that be, Indira Gandhi mainly.

I should say something here about his relationship with us, his close friends in Calcutta in the economics profession. We were always skeptical about well-meaning academics joining the government and steering the economy in desired directions. We expressed such sentiments in our meetings with him on his frequent Calcutta visits. He'd smile and say: you fellows don't even know what's happening; the models you spin are of no relevance to how the economy is actually working. He was probably correct about our models but wrong about his optimism. He resigned as CEA in disgust, after his failure to make any impression on Indira Gandhi and her true advisers during his tenure He wrote to me soon after his resignation saying that the final insult was the government ignoring his advice not to sell stocked grain in the open market despite seemingly large stocks in the aftermath of the Bangladesh war of independence in 1971: large shipments of grain were necessary to prevent famine conditions in Bangladesh, but stocks that remained in our

country afforded an enough cushion to prevent big price rises . There was no reason at all to sell publicly held stocks to private traders. Subsequently, with the government selling grain in the open market leading to low stocks of food grains, combined with an unprecedented spurt in oil prices plunged the Indian economy into a crisis that lasted many years.

But he remained an optimist to the core. After riding the Emergency period (1975-77), mainly abroad, he came back to become the finance minister in the Jyoti Basu led ministry in West Bengal in 1977. He served in the same position for a second term during which his relationship with the party bosses and Basu deteriorated resulting in his premature resignation from the ministry, and surprisingly the party as well. He has recounted the contexts in his memoirs entitled “A Prattler’s Tale”.

Krishna Raj, editor of EPW, asked me on the day AM resigned to find out, if possible, more about the resignation. I went to his home although the news was that he was out of Calcutta, not available for comments on his resignation. But I sensed he was sulking at home. I could of course get in (with my wife Neela and daughter Vijaya) and found him with his mother seated next to him. After some talk of no consequence, I told him that Krishna Raj (KR) sent me to find out why he resigned. He then blew up in a rage and said: You come here as a journalist, not as a friend. I’d have never allowed you to come here to pry. Look, I haven’t told even my mother (pointing to her) why I resigned,. But, as he calmed down, he did tell me why he resigned and advised me that it was up to me and Krishna Raj to decide what to publish in the EPW. The two of us, KR and I, later decided not to publish anything on the matter.

Optimism lasts. AM, rehabilitated within CPI-M, was made a member of the Rajya Sabha. During his tenure there and earlier as the finance minister of West Bengal he perhaps made his most remarkable contribution to some desired changes in the Indian political economy. He worked tirelessly for reviews of the centre-state relations to give more power to the states, financial matters then visibly being continuously absorbed by the central government through various devices. He wrote several articles in widely circulated newspapers about the relevant constitutional provisions. Equally important was his effort to mobilise the

chief ministers of different states to fashion a strategy to confront the centre for a review of centre-state relations.

His optimism to do things ‘from within’ was a remarkable feature of his life that perhaps flagged off only after the Singur and Nandigram episodes, leading to his disenchantment with CPI-M politics and his bold open criticism of the party’s many failures in West Bengal.

I must now say something about two other matters. First, AM made me a part of the *EPW* family. He fully supported my activities connected with the journal, including the launching of the *Review of Political Economy* as a half-yearly issue under my editorship. After Krishna Raj, when the search was on for a worthy successor, A.Vaidyanathan (AV) and I chose C.Rammanohar Reddy as the best prospect. AM put his full weight behind this proposal and AV did all the necessary personal lobbying in Delhi. The other matter is that Ashok Mitra was close not just to his colleagues and friends, but to their families in a wonderful way that children in these families now in their 40s have remained close to him in a worshipping manner.