



‘8 hours of sleep for a B-school student is a myth’

...says, **DR CHARAN SINGH**, a former RBI Chair Professor at the Indian Institute of Management, Bangalore, former Senior Economist at IMF and Director of EGROW Foundation. In an interview with **Kalyani Majumdar**, Dr Singh shares his teaching experience in India and abroad, and the need for quality research on policy oriented issues.

You were teaching at IIM Bangalore from December 2012 till March 2018. How was the experience?

Teaching at IIM Bangalore was fabulous. They have some of the best minds in the country and it was a privilege to interact with them. I was a professor of Economics, and I was teaching them Macro, Fiscal Policy and Monetary Policy and the exchange rates, the balance of payments, how to compute GDP, challenges in computing GDP which is one course that I used to teach in a standard Macro course. I also taught two electives; one was the comparison between the monetary policy of advanced and emerging countries. Here, I would compare India, China, Russia – all emerging countries – and UK, US and Europe – all advanced countries. Then I would teach the comparison and contrasts and how to interpret monetary policies. According to me, if you understand monetary policy, you can understand that local economy.

Another elective I offered was on Indian Economy. For the most part of my life, I have been a policymaker. So, I devised this course which would cover ten important policymaking issues in the country and cover it from 360 degrees. For example: Can we afford a second green revolution and is it really worth having it? We would pick up 10 burning issues – some topics on monetary or fiscal policy, some topics on social economics like poverty and famine – and discuss it over three hours.

However, I feel in India, students don't really challenge their professors. If they don't challenge the professor, how will the professor learn? So I always told my students to challenge me. Then my mind would be stimulated. And then I would go back, look for an answer and come back and talk about it, which how we must extend the frontier of knowledge.

Tell us a bit about how it was like doing your post doctoral

research from Harvard Business School?

I went to Harvard for my post-doctoral research on Debt Management. I was already the Director of Research in that Debt Management department. I was mesmerised by the intellectual challenges and the thrill that one gets while studying at Harvard. And I found that there was absolutely no parallel to the synergy of Harvard. The ecosystem in the East Coast in Boston is beautiful. Because of that you feel more confident to handle any subject, and the professors there are very interactive and humble. There, the professor is constantly challenged. At Harvard, once in a week you can attend lectures. There is not a single day that you don't get the top notch people from across the world visiting Harvard. And they come and give a talk, which is very enriching.

If you look at the ecosystem of academic research, Harvard is the best. After going there I learned

that if you go to Harvard, you must excel at what you are there for.

Being in a B-school can be very hectic. Are there any preparatory tips that you would suggest?

Yes, life in a B-school is very hectic. And that is how it should be. If you are preparing the students to face the real world, sleeping eight hours is a myth. No one can afford to sleep eight hours in the corporate world or even in the public sector banking system, as you have to get ready to deliver things, you have to think on your feet and then meet international standards.

Even at a B-school, you have the best minds working there, and you need to outperform each other; only then you can prove it to yourself that you are the best. You have to do a lot of reading, a lot of interactions, many assignments, and so on. So as a B school student, if you are getting four to five hours of sleep, then you are lucky. Be ready for that, and the B-school will prepare you for life.

Also, I feel meditation can be of great help at that point of time, as

it will relieve the stress and help you handle the competitive spirit.

Many students can't decide which field to choose in the second year of their MBA programme. Any advice on how to decide?

It depends on the temperament of the student. They have to understand their aptitude and what their psychological built is. But your choice should come from your heart, and if it is from your heart then you will be on top of it.

According to you how important are case studies and industry expert sessions. Do you think there should be more of one or the other?

I think there has to be a standard mix. Case study gives a good overview of what real life stories are, and industry experts take you into an actual live situation. I think that is the quality of training that the IIMs have. There should be a balance between the two as both are important.

Are there any major differences between MBA in India and MBA abroad?

Yes, there is a substantial difference. For example, when I taught in UCLA Anderson School of Management, I realised the thrust was very different. Here in India, MBA programmes are very academic and classroom oriented, and our projects are to a great extent theoretical. At UCLA, students were doing live projects with companies and they were being evaluated not by their own professors, but by the GM of the company!

In live training, when you work on a live project in a corporate environment, you already have

the proficiency, efficiency and confidence by the time you join the firm. This is a great difference between what we do in our country and what is done abroad.

Do you have any suggestion for MBA aspirants?

My suggestion is that they have to work hard; they have to aspire for the best institutions in the country. There should be no compromise on that.

I would like to add that you should also target for Harvard, Stanford, UCLA and so on, because the exposure that they can have is life changing. Frankly, I am not really satisfied with one Indian heading Google, and a total of 6 Indians are heading the multinationals in the world. This gives me a very sinking feeling. Indians are 16% of the world population! There are around 5,000 to 6,000 listed companies on Wall Street, and if only 6 are headed by Indians, it is very insulting! At least 16% of Wall Street-listed companies should be headed by Indians.

And, if the IIMs have not been able to produce that many, then we have to send our students to Harvard or Stanford and so on if we want that 16%. If our training is not getting them there, then Indians should take their training abroad.

Business school students are climbing aboard the Fintech bandwagon. What would be its impact on future job industry, especially for finance professionals?

Yes, Fintech companies are doing very well. They are going to be the future job companies. But as far as the top notch business schools are concerned, I think the likes of JP Morgan and Goldman Sachs will still be strong. There might be a

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little profile change or diversity in their job roles. But the students are going to be happy to have it. Fintech is bringing in so much of knowledge and frontier technology that should be a challenge for students and they may like to diversify. And obviously, there will be new jobs generated by Fintech firms.

What is EGROW Foundation? Could you tell us about it?

I conceived the EGROW Foundation in 2009 when I was working with the International Monetary Fund in Washington DC. There I used to go for lectures at The Peterson Institute for International Economics (PIIE) and there I saw people working on policy oriented issues. Their researches were well documented and based on those researches they made policy recommendations. And I thought we really needed a similar institution in India.

I was also fortunate that at that time, we also had Dr Arvind Virmani posted there. We both used to talk about how we can provide a think tank like this when we return to India.

The think tank is the collective effort by Dr Virmani (Former Executive Director, IMF) and me, along with a few more that are on board — Dr Ratanchand (Health Economist, Consultant with World Bank and Career Statistician, ISS), Dr Ashok Krishandas (Career Statistician, ISS).

It is a Section 8 company and our purpose is very simple. We want to disseminate well-researched policy-oriented issues with the public at large, including the government. We also want to undertake good quality research on topics that we have expertise in and contribute on fiscal policy,

monetary policy and other issues, along with our expertise in social, agriculture, health and other economic issues.

We also want to engage students in the campus around us in public and policy debates. We want to interact with the students and therefore they will have opportunities intern with us. We will be happy to have summer trainees or winter interns.

Also, I would like to teach the students the fundamental of macro, the comparative monetary policy, and the policies within the Indian economy. Currently, I am planning to start a 30 hour study modules with them very soon. This will be the other way of sharing knowledge with the young bright students in the vicinity of Delhi and NCR.

In your opinion, was the Demonetisation a success or a failure?

According to me in a country like India, where only 18% of the GDP comes from tax collection vis-à-vis the rest of the world where tax collection forms 35 to 45% of the GDP, there is clearly far too much tax evasion in the country. If you have so little tax revenue, how can you have global standards of providing services such as roads and hospitals, schools, colleges and so on? It is not possible.

For decades, some people have been accumulating money by hoarding and not declaring taxes. Now the government has incurred cost in maintaining the circulation and somebody had to bell the cat and this government had the courage to do so, and all the cats sitting in every nook and corner of the country came into the banking system.

So, I appreciate the concept of

demonetisation. Yes, it did cause lot of hardship, and that could have probably been avoided by better implementation of the process. But implementation had to be taken care of by the implementing agencies.

Thus, if you look back at demonetisation from the angle of telling people not to evade taxes and to be responsible citizens and not to hoard high value currencies, then yes, I think it has been a success. Do people still want to keep notes at home, or are they still willing to stack the ₹2,000note? The answer is no. Has digitisation of the economy increased? Yes. Has informal economy shrunk and formal economy expanded? Yes! So where is the failure?

Do you think MBA education in India is ready to evolve and recalibrate itself because of advent of digitisation and finance technologies?

At the moment, students have to develop these skills on their own substantially. But yes, the professors are there and they are dynamic, and if some students are interested in going to incubation centres and working on these skills, I don't think they are going to be at sea. But if you are asking me if they will make a big difference directly in the training or in the curriculum, I haven't noticed it yet.

You see, the Indian mind is in high demand right now everywhere in the world, and will continue to stay in demand. So an immediate reaction to this digitisation is not going to take place. Sooner or later, when the intake is impacted in universities and B-schools, only then at that point of time will the curriculum be rethought and redesigned. **A**