

Mirror, Mirror on the Wall

It's actually me in one and all.....

[Mansi Kapoor]

Abstract :

The paper picks on two high profile leaders Rajat Gupta , ex Managing Partner of McKinsy and Rob Diamond, the ex CEO of Barclays and traces the rise and fall of these stalwarts . Their narratives are considered as powerful indicators of greater systemic flaws and not as isolated cases of greed and corruption. The paper attempts to make a point that the corruption, greed, inequality, violence that we see around us is extreme manifestations of our own lives and the choices we make.

In a world that has been rendered fragile on the one hand and dangerous on the other is in dire need of a new way of thinking. New leadership will ultimately evolve from people and so it is imperative that people change first.

Minds have been used to the extent to which everything has been rendered meaningless, the heart so much for the sake of the self only to find desperate loneliness. It's time to acknowledge the presence of a soul, to move towards higher aspirations.

Keywords: Rajat, Rob, reflections, questions, new heroes.

The story of Rajat Gupta is that of the proverbial rags to riches saga with but with a tragic twist



Born of idealistic parents, one a freedom fighter and the other a school teacher, Gupta worked hard, left thousands behind to enter into the much haloed Indian Institute of Technology , worked even harder and in 1971 left millions behind to perish on dusty Indian streets to get into Harvard where he delivered newspapers to support himself. Two years later he was into the 'Firm'.... McKinsey the breeding ground for the most influential and the powerful, McKinsy not only held the reins of power of Corporate America but the world over. Finally in 1994 the coveted corner office was Gupta's, and he was a Managing Partner until 2003. The business world then was buzzing with opportunities resulting from out sourcing to low cost economies and Gupta became the game changer for McKinsey in the outsourcing business.

Described by Richard Rehki of KPMG as “ a hero from an Indian perspective.” Rajat Gupta epitomized the great Indian Dream , he was a harbinger of change , his stature was a forecast in person of trends to follow. Gupta was highly active in philanthropic and academic endeavors, serving as advisory roles at Harvard, Kellogg School of Management etc. He headed the America India Foundation and was chairman of the Global Fund to fight AIDS, Tuberculosis and Malaria. He and his wife were on the White House guest list and received frequent invitations from the Clintons and then from President Obama himself. The Government of India of the time also made him advisor hoping to bolster trade and clinique deals. Basically Rajat Gupta was the face of the collective aspirations of Indians across the globe. He had so far led an exemplary life.

Until, he was introduced to Rajaratnam by a common contact and ex McKinsey employee, Anil Kumar, who was scouting for donations to set up a premier management college in Hyderabad.

Rajaratnam of Sri Lankan origin , was the founder of the Galleon Group Hedge Fund , a brilliant mathematician, brash, aggressive, well connected and powerful. It is believed that he pledged one million USD for setting up the Institute at Hyderabad.

Rajat Gupta had by then retired but was on the boards of companies like Goldman Sachs and Procter and Gamble. Rajaratnam pursued Gupta who began investing heavily into Galleon and also helped Rajaratnam set up an Asia Focused Private Equity Fund. In the years that followed, Gupta started leaking secret information to Rajaratnam, who poised his investments likewise.

In June, 2014 Rajat Gupta was finally convicted of Insider Trading in a scheme masterminded by the hedge fund billionaire Rajaratnam and given a two year prison sentence. He is serving his sentence in Massachusetts Federal Prison. Rajaratnam, sentenced for 11 years, is in the same complex but in the medical facility.

July 3, 2012 New York Times Headlines:

“Once an asset, Diamond's American Flair became a liability for Barclays.”



The son of both teachers, Rob Diamond was one of the nine children, raised by the couple. His working life started as a Lecturer in the University of Connecticut. In the early seventies, he got a job , in the technology department of Morgan Stanley, In the year 1996, he crossed the Atlantic , into Credit Suisse and finally into Barclays to run its Bond Division. London being the trading hub of derivatives, bonds and forex, this was a smart move. Rob Diamond was soon overseeing most of the Bank's profits and then bought the languishing Lehman Brothers for a pittance and this brought Barclays in the Racing Spot along with JP Morgan Chase and Goldman Sachs.

He built a highly successful banking operation in England and in the process rewarded himself seventeen million pounds in cash and kind as bonus for his great performance. Not only that , his inner circle of top executives, Jerry del Missier and Rich Ricci were given away 10.8 and 9.7 million pounds as bonus.

The regulatory environment for Commercial Banks was getting tougher by the day, in the wake of the aftermath of the collapse of the Financial Sector in 2008. The public was after the politicians who were therefore after the Bank of England to rein in the big bad world of Bankers.

The spot light was now on Rob Diamond, the flamboyant American Banker, who had changed the conservative style of Banking in the UK. Soon in 2012, Rob Diamond was the centre of the Libor Scandal. Media called him the Casino Banker, a modern day Gordon Gecko, who amassed great wealth only through “ deal making and shuffling paper around “

Rob Diamond was ousted from the Bank in July 2012 after regulators from both Washington and London found that bankers manipulated Libor ie the London interbank offered rate. It was found that Barclays, regularly gave false information in order to boost it's trading profits and in some cases to camouflage it's financial strength. Barclays had to pay up 450 million USD in settlement with the authorities. The libor scandal was termed as the “scandal of scandals” for it shook the confidence of the world in the Banking Industry.

Where is Rob Diamond now? Well, not in prison like Rajat Gupta. He is “ostentatiously’ living the life of the average American Joe. Takes a subway to work, and waits in a queue to pick up the Star Bucks Latte. He has anyways earned his millions.

Most media reports suggest that he was not the only one, and he was made the scapegoat. He paid the highest price because he represented “the unacceptable face of banking” in the UK.

Both these cases are more tragic than shocking. The similarity in the narratives is intriguing. Both Rajat Gupta and Rob Diamond, were from humble, modest backgrounds, and typically brought up amidst the goodness of the middle class values. Both crossed the Atlantic to forge a brighter future for themselves and their respective corporations. Both

were game changers and raked in millions in profits and were highly celebrated, reached the pinnacle of success. And tragically both were the fall guys. The victims of the system, which thrives on collusion, networks, and profits at all costs and most importantly, will find the scapegoat, the guy to pin down when the chips are down.

Should we look at these cases merely as isolated instances of the lust for greed, power, affluence, influence, fame or both these cases warrant deep introspection. Are they indicative of a deep malaise in our society?

If we take the former view, which is the easier one, we will learn a thing or two about cultural relativism, ethical dilemmas and will tend to think more in terms of regulations and regulatory frameworks. If we take the latter view, which is the more difficult, we will need to raise some very uncomfortable questions.

Those who wish to look at this issue with the ethical/ legal lens should first figure out whether an increased regulatory environment is effective or conducive for growth or development. Heavily regulated environments in fact stifle growth, innovation and indicate lack of trust, lack of engagement, lack of vision and lack of purpose. And last but not the least; highly regulated environments are not sustainable in the long run. Devious minds will find new loop holes to exploit and a new scandal will emerge.

If we are attempting to learn anything from what we are witnessing around us and we must accept that the crime that is manifested in society mirrors in some measure what we have become collectively.

The Charlie Hebdo killings in Paris, the brutal attack on school going children in Peshawar, the plane crash in the French Alps should shake the collective conscience of every individual on this planet. The corruption, the inequality, the poverty, violence that we see around is not there somewhere out there. They are extreme manifestations of our lives too.

In July 2013, Yale organized a Conference on practical Wisdom for Management. Thought Leaders had gathered from across the globe. The discussion ranged from ethics, education, leadership, and spiritual capital, all in the context of changing, unpredictable and depleted world in which we find ourselves now. While returning from the conference, a chance encounter made me think deeper and harder.

The following is a narrative about life on the other side of power and affluence. It's about people who suffer the unintended consequences of the sheer mindlessness of those in positions of power.

July, 2013. New Haven, Connecticut.

I was booked on the Red Bus to take me directly from New Haven to JFK. A phone call from my schoolmate made me change my travel plan.

I cancelled the bus ticket and called for a cab to take me to the train station to board the 8.30 to Grand Central. There

was a torrential downpour that morning accompanied with lightening and sounds of thunder. Standing outside the Hotel, I panicked, thinking to myself did I do the right thing by changing my plan?

The Cab driver arrived after frantic phone calls from the hotel's front desk.

Its global warming he exclaimed, we never get rains this time of the year...what is the world coming to.

I thanked God. Reached the station and rushed to buy my ticket

Tugging along with my suitcase and bag, and running for my life, I saw the train to JFK leave the platform.

I was assured, there would be another train leaving after half an hour and I could use the same ticket.

With a sense of relief, I stood on the platform, waiting for the next train's arrival.

My mind was going over the Conference and all the discussions we had had.

And then I saw this person, in a black T-shirt shout over his phone. His eyes were bloodshot, his demeanor tired, very tired. "I'm going to sort this guy out...how dare he" was what I heard.

I kept taking pictures of the beautiful skyline and was generally impressed by the orderliness of things. This person was still on the phone.... Menacingly whispering

The train arrived and I chose the seat by the window. The person in the black T-shirt entered and took the opposite seat, his head resting on the glass window pane.

Silence and then a deep sigh !!

Things have never been this bad ever.....the last six months have been the worst I have ever seen in my lifetime.....I have a business of earth moving equipment.....as it is things are bad and my own friends have stabbed me at the back.....I haven't slept well for days wondering where the money is going to come from.....My wife left me couple of months before.....our hatred was getting out of hand.....

I was numbed and wondered why he chose to share his life and bitterness with me, a complete alien and a stranger.

I kept listening with rapt attention.

The person looked relieved.... Somebody had heard him out. Our discussions continued ...on politics, economics, emerging economies and finally he asked me the purpose of my visit.

I told him about the conference. Shock....Disbelief and finally a glimmer of hope.

And then, some more people came in at the next stop.

- A Hispanic woman, fragile with puffy eyes, with her two girls. She shouted at the girls and asked them to take care of the bags they were carrying. .. My girls are good, they study, they will get good jobs, I work hard ...Thank God we are going away for a few days..... She handed over a book each to both the girls; the books were on grammar and spellings. I have a grandson and two other children, bewildered, I asked her age... Forty Three, she said.

My puzzled look made the others laugh.

The person in the Black T-shirt looked at them and then at mea wry smile!!!

Welcome to the United States of America! Was what his eyes said.

And then another teenager stepped in, African American origin, very polite, she had a resolute air. Lost in her books and when asked told me proudly that she was going to study medicine and would become a doctor soon. Another sigh from the Person in the Black T-shirt

In stepped Sammy, who was going for a swim and to see the statue of liberty.

Why is everyone so serious and grave this morning?

No one replied.

We had reached the Grand Central.

I said my byes.....the person in the black T-shirt got up and shook my hands. Nice meeting you, he said. I shook his hands warmly and said, May God be with you.

I pulled my suitcase and walked away.

Deep inside, I was sad and confused.

Was I being an elitist, can we really make a difference to the lives of ordinary people like ourselves. In the midst of all the churning and confusion a thought emerged with great certainty and clarity. For me the word heroic changed drastically.

**People who struggle everyday to make a living,
People who sacrifice their precious dreams to become good parents,
People who don't give up on their relationships however fragile,
People who reconcile everyday with their destiny and fate and resolve to continue,
People on the verge of losing everything that was built painstakingly and yet dare to dream.**

Are truly heroic.

If everyday life has now become seemingly heroic, if everything we build for ourselves is fragile, and the consequences of most of our actions stressful and sad and depleting how indeed should we define success, and then who do we accord the status of the highly successful? Who has a legitimate right to lead in a world that is increasingly becoming sterile and dangerous by the day.

We need a new breed of leaders, who help make people transform themselves from the inside, leaders who have the courage to confront people with their hearts, minds and above all souls.

We have been living with our minds, then we realized that the heart matters, it's now time to acknowledge that we have a soul inside that renders meaning to the word human.

We have been operating from a very limited perspective of what we think being human is. We have used our minds so much that we have over rationalized, to an extent that things have become meaningless, we have indulged in every feeling that we have only for the sake of me, myself and I so much so that we have become desperate and lonely. If only, we gather courage to acknowledge the living soul in us, will we move towards abundance, peace and prosperity.

Conclusion:

“A human being is part of a whole, called by us the Universe, a part limited in time and space. He experiences himself, his thoughts and feelings as something separated from the rest, a kind of optical delusion of his consciousness. This delusion is a kind of person for us, restricting us to our personal desires and to affection for a few persons nearest to us.

Our task must be to free ourselves from this person by widening our circle of compassion to embrace all living creatures and the whole of nature in its beauty”

Albert Einstein.

Nial Fergusson, in his book “ The Great Degeneration” talks about the decline of the West. He attributes the degeneration to ailing Institutions. He talks about the four pillars of Western Society i.e. Representative Government, the free market, the rule of law and Civil Society. These four pillars upheld the glory of the Western World but now seem to be giving in to the enormous weight of greed and unscrupulous behavior.

The East has nothing much to offer either other than the consequences or implications of the “demographic dividend” or growth which can best be explained by the theory of relativity. Any which way, this growth trajectory can not surge upwards for a long period of time unless there are drastic systemic changes.

East or West, if we pause and think, don't our leaders and institutions provide a mirror for us to see our own reflection. Are we not a part of this sordid scheme of things? Whatever be our capacity and influence, it's time for soul searching for everyone. This certainly points out to a new way of thinking and consequently a new way of living.

The Powerful amongst us are desperately trying hard to hold on too the reins of power. Most perhaps are living in a state of denial or are “deluded” by their affluence. Most think that bold rhetoric, vote bank calculations, jingoism, spreading hatred or fuelling cravings or insatiable desires will keep people suitably entangled to not think of what's really happening.

But that's exactly wherein the nemesis lies. This pathological and compulsive behavior shall in itself be the seductive trap that will eventually ensnare.

An interesting story from one of India's ancient texts called the ‘The Puranas’ come to my mind. Most of these stories have a common theme. From time to time, there's a conflict between the Demons and the Gods. The God of Creation or Brahma is impartial towards both since both are created by him. So if the demons manage to please Him, He grants them boons. The Demons choose the boons with great care, ensuring their invincibility and immortality. In Hindu philosophy, it is believed that , conflict gives impetus to

society to grow and flourish and in the larger scheme of things goodness can be understood in the context of evil , just as night has relevance because of the day and so on. And God does not interfere so long as there is a balance between the two. But whenever the balance gets disturbed, the God of Preservation or ‘Vishnu’ descends to the Earth in a new ‘avatar’ to reinstate the balance. Every time, Vishnu's strategy of destroying the demons is based on the demon's own desires or boons.

Here is one such story:

Once upon a time, there was a demon called Hiranyakashyap. He worshipped the Divine Creator for thousands of years. Pleased with his penance, the Creator appeared and asked him to make a wish. The Demon replied, “ Let no one that you have created kill me, not man nor beast nor immortal ; let my death not come by day or night ; nor from above or below ;let me not die indoors or outdoors ; not on the ground or in the sky ; nor by any weapon.

His boon thus granted, he tyrannized the world for many years. None could kill him because of Brahma's boon. Then one day, a son was born to him. The Demon's son Prahlad was virtuous and unlike demons and so Hiranyakashyap thought of getting rid of him. The pious son called out to Lord Vishnu to save him. In an answer to his fervent plea the Lord appeared. ... He appeared from a Pillar, He was a terrible being, neither man nor beast. Roaring with rage , he seized the Demon , carried him to the threshold of the Palace (not indoors nor outside), took him on his lap (not on the ground nor in the sky) , tore his heart out with his talons (no weapon), when it was twilight (not in day or at night)

So, what's the moral of the story?

God gives us what we ask for. We are responsible for our own desires and the consequences that follow. It would be wiser to abide by God's Will, knowing for sure that only He knows what's best for us.

As Christ said in the Sermon on the Mount –“ And I say to you, Ask, and it shall be given you; seek, and you shall find; knock, and it shall be opened to you.”

‘Look at the birds of the air; they do not sow or reap or store away in barns, and yet your heavenly father feeds them. ... See how the lilies of the field grow. They do not labour or spin. Yet I tell you that not even Solomon in his entire splendour was dressed like one of these.’”

We are ‘deluded’ by our sense of false power which makes us feel insecure and so get trapped in the vicious circle of ignorance and script our own tragic end. Change can only be real if it comes from deep introspection. We keep coming up with feeble excuses and fancy defenses. At best, most of us can best resort to glib talk or ‘orchestrate’ a grand “masquerade’ which serves to cover up our realities.

We need to realize the power of truth and of intent.

As Einstein famously said “ a problem cannot be solved with the same consciousness that created it.”

It's up to each one of us to bring back into our lives, what we are all desperately looking for " meaning" . The meaning is derived from how we contribute to the lives of others. It's we, individuals who need to " widen the circle of compassion", give each other courage to let go and liberate ourselves from pettiness and selfishness , that has taken roots because of our compulsive desire to "succeed".

We can be dismissive of idealists as dreamers , we can accuse them of not being pragmatic enough, but nevertheless if nothing else , a dreamer can inspire.

Oscar Wilde says a dreamer "can only find his way by moonlight and his punishment is that he sees the dawn before the rest of the world."

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