

THE ECONOMIC TIMES

Incentive for bigger crimes

THE sight of a petty, thin and frail looking pickpocket being caught and thrashed mercilessly on one of Mumbai's footpaths the other day left me thinking about the extreme dichotomy that we come across in the way our judiciary and law enforcing agencies dispense justice. All petty crimes and criminals seem to be at the receiving end of the so-called harsh arm of law while this same strict arm seems to lose its grip when dealing with crimes committed by the rich and the famous.

The latest instance of this being the biggest corporate scam seen in India where the persons involved have admitted to their deceit, dishonesty and fraud publicly and have been taken into judicial custody with dignity. After some judicial process the court orders that Ramalinga Raju be given VIP prisoner status in the jail. He can now avail facilities such as home-cooked food, separate toilet, TV, newspaper and so on.

It is ironical that a fellow who was trying to pick-pocket for a gain of a few hundreds is treated differently from one who has pick-pocketed thousands of crores of public money. Without condoning the act of pick-pockets, it would be fair say that petty crimes are committed to make a living and earn daily bread in India. It cannot lead to some dream mansion and luxurious living in most cases.

One was taking to crime to meet his basic needs while the other, to use the Maslow theory, was embracing it for his self actualisation needs. The contrast stretches further wherein one is perhaps an illiterate, economically underprivileged person while the other has the privilege of wealth and education. Whose crime is bigger then? Who gets instantaneous justice or who languishes behind bars, forgotten by the judiciary, police and media?

India has seen various scams during the past two decades starting from Harshad Mehta, Ketan Parikh and now Ramalinga Raju. Every such incident has resulted in debates, discussions and condemning of such events. The media covers scams extensively

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and they become the topic of discussion in public places. The need to protect retail investors is the favourite topic. But in the end duped and robbed investors get nothing but false promises and empty hopes.

Why do all these individuals resort to fraud fearlessly? The obvious answer is greed. But more insidious than human greed here is the audacity and faith they have in being able to manage the entire system in their favour because they have the wealth and the reach to influence the powers that be.

If we fast forward the Satyam case and try to make a forecast, this is how it will most likely unfold. Ramalinga Raju will be in the VIP jail for the next three or maximum six months after which he will be released on bail. Various charges will be levied on him under various regulations and Acts. The case

will then be heard at the lower courts and verdict given in maybe two to three years. The verdict of the lower court will then be appealed against in higher courts and it will go on till it reaches the Supreme Court in the next 15 to 20 years.

During this journey Raju and his lawyers would have at every stage ensured that the hearing is delayed exploiting some minor loophole or the other in our archaic judicial system and the concerned officers who initially handled the case for the various government agencies would have been transferred. The media would have lost interest in it except making reference to it once in a while like the Harshad Mehta or Ketan Parekh case.

By the time the final judgement is passed by the Supreme Court everyone would have moved on in life or the person concerned may have passed away as in the case of Harshad Mehta.

The moral of this story ironically is that if you want to commit a crime don't indulge in petty thefts and get caught to be treated harshly by law. Instead, gun for the jackpot and loot the nation by creating a multi-million dollar scam. You will remain safe. If you do get caught, you may have to suffer some hardships and be in the limelight for some time. Pay your lawyers out of your ill-gotten gains and get out of the law's reach. Maybe as time passes you can start and implement another Ponzi scheme for new takers.

We can debate and discuss various scams in the Indian capital market and corporate world. We can hold conferences and seminars on them but something new will keep happening as long as the fear of quick justice is not there. While the world has examples of Bearings, Enron, Madoff, the difference is the speed with which the case is heard and verdict passed. While all of us debate the event, we need to focus on the need to act swiftly in giving justice whether it is the Mumbai bomb blast case of 1996 or the scams in the capital market.

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