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TWO STUDIES OF 'THE INDUSTRIAL LEADERS' OF
MADRAS*

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THE GREAT TRADITION GLOBALIZES: REFLECTIONS ON TWO STUDIES OF ‘THE INDUSTRIAL LEADERS’ OF MADRAS

By John Harriss

The title of this paper alludes, of course, to Milton Singer’s book *When A Great Tradition Modernizes: an anthropological approach to Indian civilization* (1972), and particularly to Part IV of the book, which has the title ‘Modernization and Traditionalization’ and includes a long essay called ‘Industrial Leadership, the Hindu Ethic and the Spirit of Socialism’. The book, though it does not have the same stature in Indian anthropology as Dumont’s *Homo Hierarchicus*, or the essays of M N Srinivas, constituted a major contribution in its time, both as a study of Hinduism in an urban context, and as a critique of the stale old comparative statics of conventional sociological modernization theory. The core of Singer’s argument about modernization is contained in the concluding words of the long chapter which is based on his interviews with (nineteen) ‘industrial leaders’ of Madras in 1964:

(The book is about) how Indians are changing their cultural traditions as they incorporate modern industry and how they are changing modern industry in order to maintain their cultural traditions. Indian modernization is not simply an aping of the West that destroys the traditional way of life, but rather a highly selective process of borrowing and innovation, which seeks to develop and incorporate novel elements into a highly organized and continuing civilization (1972: 366)

The argument, against the linear dogmatism of modernization theory, has something in common with that developed - also in Chicago - at about the same time by Lloyd and Susanne Rudolph, in regard to politics, in their *The Modernity of Tradition* (1967). Singer was influenced, Mary Hancock has shown, by the distinguished Sanskritist, V Raghavan, who was his principal informant in Madras. Raghavan was dedicated to showing that Sanskritic culture provided the ideological foundation for Indian nationhood (and later in his life spoke on RSS platforms). As Hancock writes “Singer and Raghavan were allies in a salvage operation dedicated to uncovering and refurbishing ‘tradition’ in the service of nationhood, modernity and progress” (1998: 373).

Singer elected to study ‘the industrial leaders’ of Madras because he believed that there were at the cutting edge of modernization - which is inherently associated with industrialization – so that in studying them he would best be able to analyse the constitution of ‘Indian modernization’. In the same way it seems fair to suppose that the present day business leaders of Chennai (as Madras is now known) are amongst those most influenced by ‘globalization’, and amongst whom, therefore, one may hope to study its local social consequences. Certainly they have been very deliberately exposed in their working lives to the pressures of economic globalization as a result of India’s economic policy reforms in the 1990s, and they are both more ‘interconnected’ globally, as a result of their activities and the technologies they employ, and more exposed to the culture of consumerism, which supposedly threatens the homogenisation of the world under the domination of American popular culture, than are most others in contemporary Indian society. Following Singer, therefore, in the early months of this year, I interviewed 40 of the present-day ‘business leaders’ of Chennai, including members of the second generation, or sometimes the third generation, of the same business families as those Singer interviewed; the Chairmen-Managing Directors of other companies based in Chennai and included in the list of the top 500 Indian companies, by market capitalization, according to the list published by *The Economic Times* in September 1999; and entrepreneurs in the software industry which is thriving in Chennai and which is at the heart of what Indian commentators refer to as ‘the New Economy’. I talked with them all at length about the organization of their businesses and the impacts of liberalization and globalization in their firms (and in some cases I was able to follow up these discussions in interviews with managers and workers in their offices and factories); and I talked with them, as Singer did, about their families, their beliefs and values and their religious practices.

In this paper, therefore, I offer a further progress report on the process of modernity in south India, some thirty five years on from Singer’s first report. These two studies of business/industrial leaders of Madras provide a basis for analysis of some aspects of change in south Indian society over the last third of the Twentieth Century, and for tracing the career of Raghavan’s reflexive project, as well as for forming a preliminary assessment, at least, of the local impacts of globalization. It has to be said, however, that determining what has changed and what is distinctive about the current

epoch of ‘globalization’, is decidedly tricky. I take it that this first exploration of my research material is relevant to a conference on Modernity because, as Giddens puts it, ‘Modernity is inherently globalising’ (1990: 63).

What is Different (1964-2000)?

Much in the business world of Madras/Chennai appears to be little changed. Most of the major companies of Singer’s time are still important today; and the pre-eminence of Brahman families amongst the business leaders of Chennai is as marked as it was in 1964¹. Amongst his 17 ‘industrial leaders’² Singer found nine Tamil Brahmans (seven Smarta Brahmans, or Iyers; and two Srivaishnava Brahmans, or Iyengars); four Chettiars; one Mudaliar; one Kamma; two Muslims; one from a Gujarati merchant Hindu family; and one from a Syrian Christian family. The nineteen ‘family or other ownership groups’ which I identified amongst the 31 leading companies include: eight Tamil Brahmans (six Iyers and two Iyengars); three Chettiars; three Reddys; one Saiva Mudaliar (not the same as in 1964); one Kamma (the same family as in 1964); one Syrian Christian (the same as in 1964); one Raja and one Marwari. The Brahman-owned family businesses of 1964 have, with only one exception (that of the ill-fated Standard Motor Company), consolidated their positions; and they have been joined by highly successful new companies, in software products and in chemicals, also owned by Brahmans. The largest single group of the new software entrepreneurs is constituted by Brahmans. This new generation of Brahman entrepreneurs comes generally from a different social background, however, from that of the first generation of Brahman industrialists. Singer referred to the fact that “ Four of the Brahman families had come from such localities of Tirunelveli District as Kallidaikkuricci and Alvarkkuricci, where Brahmans have been noted as traders and bankers for more than 300 years” (1972: 299), and others also came from relatively privileged backgrounds. The new generation of Brahman entrepreneurs comes, however, from families of white collar workers, minor officials, or smaller business

¹ The belief that it is predominantly the Chettiars who run family firms in the South dies hard, however. It is repeated, for example, in Gurcharan Das’s introduction to a recent issue of the journal *Seminar* devoted to family business (October 1999). A more accurate assessment is found in an article in *Businessworld*: “Today of the dozen odd big Chetty (sic) business houses only three survive ..” (Piramal and Mukearjea 2000).

² Singer interviewed in all 19 people, but they included the managing director of a public sector unit and the state Secretary for Industries. His sample included, therefore, 17 private entrepreneurs.

people in Chennai and in the smaller cities of Tamil Nadu. The software industry, in particular, provides an avenue of opportunity for bright men from modest backgrounds – though backgrounds in which there has long been respect for learning and the encouragement of children’s education. Several of these men told rather similar stories of fathers who had wanted to go further with their own education, but who had not been able to because of family circumstances, and who had struggled hard to ensure that their children (daughters as well as sons) should have opportunities which had been denied to them themselves.

Caste distinctions continue to influence employment patterns and labour markets, too. A high proportion of senior executives is of Tamil, Kannada or occasionally Maharashtrian Brahmins, followed by other ‘Forward Castes’ like Kammas and Reddys from Andhra Pradesh. Those in supervisory and middle-management cadres, too, tend to come from the more advanced Non-Brahmin castes. These patterns reflect the persistence of long-standing connections between caste background and educational opportunity rather than caste prejudice per se (though one or two business leaders were not ashamed, they said, to admit to me that their’s are still ‘Brahmin companies’). Caste differences, however, continue to influence industrial relations, and some personnel managers try to avoid situations in which there are substantial ‘blocs’ of employees from particular castes or communities. This is in a context in which caste differentiation has become more salient over the recent past – reflected in the formation of political parties in Tamil Nadu by particular caste groups.

The ‘New Economy’ companies are very different and they have brought in new employment practices and styles of management. Employers and their personnel managers may have no idea as to the caste identities of those whom they employ. Yet my small survey of those working in the software industry shows that they include disproportionate numbers of Brahmins, because of that same history of educational advantage. The average age of those employed in the industry is 24 or 25; and around thirty per cent of them are women who often, though they usually live at home with their parents, control their own (excellent) incomes. Some of them are amongst the crowds which flock to Chennai’s growing ‘clubland’. Companies have progressive policies regarding maternity leave and there is an expectation that many of these young women will return to work after marriage and the birth of children.

In spite of the persistence of old patterns of labour market segmentation along caste lines, there is evidence – as I shall explain - of the extension of the processes of ‘disembedding’ that Giddens describes as being amongst the underlying conditions of modernity. This is reflected in the gradual replacement of management systems based, no doubt, on control-compliance mechanisms, but legitimated through personalised relationships calculated to command loyalty, by systems which are represented as being based upon ‘trust’ but which in fact involve disciplinary power (in the Foucaultian sense). And what is acknowledged to be a ‘crisis’ for the family businesses which still dominate the business world of Chennai as they did in Singer’s day – a crisis occasioned by economic globalization – is slowly working itself out in such a way as to accentuate this process of ‘disembedding’.

Singer argued that the ‘industrial leaders’ managed the relationships between their personal lives in which religious belief continued to be extremely important, and the business world, by ‘compartmentalizing’. The core of this idea, partially expressed to him by some of those with whom he talked, is that “business and religion are distinct and separate spheres ... ‘separate’ both in the sense of a physical separation of the two spheres and in the sense that different norms of behaviour and belief were appropriate to the two spheres” (1972: 320). This ‘compartmentalization’ is associated with the relaxation of ritual observance in the work sphere (or what he calls ‘ritual neutralization’, seen most clearly in the direct involvement of high-caste Hindus in tanning) – which does not, however, imply the existence of a linear trend towards ‘secularization’ or ‘rationalization’ - and with ‘vicarious ritualization’. By this Singer meant a way of coping with the demands on time made by holding an industrial job through substituting abbreviated rites. Though they might spend less time in worship than orthodoxy requires, Singer’s informants told him that “the worship is no less”, and they were reinforced in this belief by the views of some of their religious teachers. ‘Vicarious ritualization’ was also reflected in increased expenditure on some ceremonies, the employment of religious specialists and in support by business leaders for religious institutions and charities. The industrial leaders managed the relationships between their business activities and their religious practice by these means. They were not ‘westernising’ – certainly in any comprehensive way - and most of them were not ‘secular’ people. Rather did they

incline to reinterpreting their religion so as to have created, Singer suggests, an ‘industrial theodicy’. With few exceptions they could be described as ‘this-worldly ascetics’, working hard with complete absorption in and dedication to their jobs. The core of the argument is this:

...by redefining the ‘essentials’ of Hinduism, and extending its tenets to industry (the industrial leaders) have been able to ‘modernize’ Hinduism without secularizing it, or at least without losing their cultural identity as Hindus. For them ‘the essentials of Hinduism’ consist more in a set of beliefs and a code of ethical conduct than in a set of ritual observances. In this sense, the effect of industry is to change the traditional conception of the essentials of Hinduism from an emphasis on the correct ritual observances and family disciplines to an emphasis on philosophical principles, devotional faith and right conduct (1972: 342)

The argument may well reflect the influence of Raghavan on Singer’s thinking.

The religious beliefs and practices of present-day business leaders in Chennai do not entirely correspond with this account, as I will explain, though there are some strong resemblances. Most strikingly Singer seems not to have encountered the experience of the miraculous, or of the immediacy of the presence of ‘god-men’, which are important parts of the lives of contemporary business leaders. It seems possible that the industrial leaders of the early 1960s – at the time of the deliberately modernizing Nehruvian state – really were more inclined to secularism than their followers today. In some sense, however, the Raghavan project has perhaps succeeded, for there is a Vedantic revival under way in Chennai, that fuels the recent movement of opposition to ‘conversions’ and which targets Christians in particular. The apparent paradox which others, too, have noted, in which the reassertion of a version of ‘tradition’ is held to be essential to the pursuit of ‘true’ modernity in a globalizing world, seems to be borne out.

The Organization of Business

In his essay Singer first reports on ‘The Role of the Joint Family in Modern Industry’ and he is concerned to crack that old canard of modernization theory which held that there is “a linear transformation of the joint family into a nuclear family under the influence of urbanization and industrialization” (1972: 288). Only a minority (seven)

of those (19) whom he interviewed lived in joint families. But he noted that “the move to the city has not destroyed large family households”, and that the businesses were all family firms in which “Effective family control has been maintained through a number of organisational devices, the most important of which are to have the company’s affairs managed by a ‘managing agency’ that is owned and controlled by the family” (1972: 291). There was, he argued, a structural parallelism between the joint family and the corporation – “The ... congruence between joint-family organization and the organization of industrial firms seems at first sight to be so great that one wonders how the opinion of their inherent incompatibility ever got started” (1972: 297) - and he sought to show that a modified form of joint family organisation was emerging in Madras which constituted a successful adaptation of ‘tradition’ to the demands of industrial modernisation. This is an argument which has been adumbrated more recently by Jack Goody , who points out that “Familial recruitment and participation may have its disadvantages but it also has its positive features, not only in raising private capital, but in maximising trust, loyalty and long-term planning over the generations, as well as in motivating the entrepreneur” (1996: 160). (Almost exactly the same thing was said to me by Dr Reddy, the founder of India’s first corporate hospitals, whose four daughters are the senior managers of Apollo Hospitals Ltd).

Yet it is now widely held, by those involved, as well as by observers, that Indian family business is ‘in crisis’ - to the extent that three of the Chennai-based family groups have been providing financial support for the convening by one of the national associations of Indian industry of an annual ‘Family Business Conclave’, of which the second meeting was held in Bangalore in March 2000. These meetings, facilitated by a professor specialising in family business from one of the top US business schools, have been attended by members of family businesses, including some famous names in Indian business, and they have specifically addressed the participants’ sense of there being indeed ‘a crisis’ for their businesses in the context of India’s economic reforms and of globalisation. The crisis is reflected in the declining fortunes in the stock markets of India’s most famous businesses – those of the Tata family, the

Birlas, the Thapars and the Goenkas - in the 1990s³. To the recurrent problems of many, if not all family businesses, which have to do with the relations between generations and the so-called ‘Buddenbrook’s Phenomenon’ (from Thomas Mann’s novel which describes the saga of three generations of a family business: ‘first generation builds, works hard and makes money, second generation consolidates, but looks for power; third generation consumes and enters the arts’)⁴ there have been added new pressures which have to do with the much more competitive environment in which Indian industry now operates. The problem is that which was summed up by the head of one of the major family business groups when he said to me that “In thirty years of my career in business I never knew what competition was. We have been complacent”. There is a great deal of urgent talk about the need for ‘professionalising’ management, though whether this will resolve all the problems which affect family business is doubtful. Neither is this really a new problem. It was already identified as being an issue in a book based on research which was conducted, like Singer’s, in the 1960s (see Cohen 1974).

Many of the older men amongst the present-day business leaders grew up in large joint families, but the younger ones come from quite small families (the largest included six siblings; the modal number was three), and they themselves have, at most, three children. The trend toward smaller families, and the active interest of industrial leaders in family planning was already noted by Singer (1972: 290-91). Few actually *live* any more in a joint family – I am certain of only one case - though many have separate houses in the same compounds as their brothers, or houses on adjacent plots. And as Goody notes: “In comparison with the West the extended family, the offspring of common grandparents, plays a greater part in everyday interaction [in India], sometimes as a Hindu Undivided Family, normally in less formal ways” (1996: 151).

³ *The Economic Times* reported, for example, that ‘Bourses signal gloom for family biz’: “The harsh truth emerging from the floor of the bourses is blowing away the last bit of hope for India’s family owned businesses. The New Economy is steadily taking over the mettle from the Old Economy is a reality. ... The family owned businesses have performed poorly in the bourses, but worse they are failing to steer investors’ interest. In contrast, the multinational corporations and the professionally-run Indian companies not only have succeeded in raising their market capitalisation through price accretion, but have added to their investors’ base too ... The average market cap of the Tatas declined by 43.5 per cent [between January and August 2000]. A V Birla group witnessed a decline of over 28 per cent and the Thapars 36.6 per cent” (21 August 2000).

With only three possible exceptions all the firms in my sample might be described as being ‘family businesses’ in the sense that the promoters or their families continue to own large, generally controlling shares in the companies. Yet, as several pointed out to me, what does it really mean to talk of a ‘family business’, when there is so much diversity amongst the companies which are so described? Amongst the Chennai-based companies from the Top 500 there are represented six major family groups (which together account for 16 of the 31 companies that I identified); another two have historic and kinship connections but each is owned substantially by a separate family and controlled by a single individual; two belong to groups of brothers who share control; six are effectively controlled by individuals – three of whom have broken away from brothers; one is a joint venture by two un-related Indian partners with a Japanese major; one is a public company, started in 1992 by a group of young professionals, from modest backgrounds, who are determined to take on the established companies and beat them; and there are two MNC-owned firms. There are important differences between families in terms of the extent to which continuity of family ownership is a major concern for them. On the one hand there are those for whom family ownership (or ‘trusteeship’, they are likely to say) is an extremely important value in itself. On the other there are a number of those who are running family businesses in the second or third generation who express very little of this kind of emotional commitment. One said frankly that his own children displayed neither talent nor interest so far as business is concerned, and that it mattered much more to him that the wealth he had built up should be well managed in future than that it should remain in the family.

Although the ‘New Economy’ companies in the software industry (and new firms in the chemicals industry) can be described as ‘family businesses’ in the sense that the promoters (and, usually, their wives) continue to own large shares in them, none of them is run like the ‘Old Economy’ companies. They are moving much more quickly to raise capital through the stock market; they involve professional managers at an early stage; they commonly involve partnerships with US or European firms, but in

⁴ It has to be said that the Buddenbrook’s phenomenon has afflicted South Indian business much less than it appears to have affected the business elites in other parts of India. It is argued, speculatively, that this is a reflection of the closeness of kinship connections in South Indian families.

which the Indian firm is usually the controlling party. There is no expectation at all on the part of the promoters that they are starting businesses which will be held in the family over generations; and they are much more likely to say that they do not wish their children to follow them into the business than the reverse. India's currently most successful software companies, Wipro, Infosys, Satyam and, in Chennai, Pentafour/Pentamedia, though they are very strongly associated with their founders (now ranked amongst the wealthiest men in the world), are not 'family businesses'.

The 'crisis' which businessmen in the 'Old Economy' themselves refer to affects mainly family businesses which are in the third generation and are looking to the fourth, or are now getting into the third generation, and in which there is a number of male siblings in each generation. For these businesses there are acute problems of coordination and of collective action even when they are not exacerbated by personal animosities. The point is made by the contrasted case of a family which has two companies in the Top 500, and in which there was one son in the second generation and only one son again in the third. The family has invested in a major way in technological improvements in its old core businesses, spinning mills and cement factories (it owns what is believed to be the most energy efficient cement plant in the world), and the son of the present head of the family has been encouraged by his father to use one of the companies as - in his words - a 'milch cow', for funding an adventurous, risky enterprise which is dedicated to producing software products⁵. It is very difficult to imagine such a development taking place in a family with a lot more 'owners' around. Securing agreement amongst a group of people for the kind of venture that is involved here is extremely difficult, and liable to provoke conflict. This helps to account for the kind of inertia which is displayed by a good many older family businesses, and which makes it very difficult for them to respond to the new circumstances of the liberalizing economy. The largest Chennai-based industrial group has the potential, in the estimation of members of the family, as of independent analysts, to become a globally competitive company. But this would almost certainly mean concentrating on particular industrial processes in which the group has a comparative advantage, and getting out of a number of areas of business in which it has historically been successful - in the Indian market. Family members who control

group companies in these areas of business are understandably reluctant to concede ground to their siblings and cousins. Interestingly this group, which has been bitterly divided – though not to the point of splitting – for more than twenty years, has taken the lead in bringing in the American business school professor, in order to try to develop a system of family and corporate governance which will enable them to tackle the problems of achieving global competitiveness.

But there are other factors involved, too, in accounting for the inertia of family business. Firms have a poor record both in product and in technological development. They have been able to shelter in what one member of the family group referred to in the last paragraph calls ‘the golden cage’ of joint-ventures with foreign companies which have supplied technology in order to secure a small foothold for themselves in the Indian market⁶. They have been sheltered, too, from pressures for transparency and efficiency because they have not had to rely on the stock market in order to raise capital. One of the five largest business groups in Chennai has an annual turnover now of more than Rs 3000 crores (around 7000M dollars). It includes 37 companies but only three of them are listed on a stock exchange. They are owned, through an elaborate set of cross-holdings, by a holding company in which there are only five shares, belonging to the wife (now deceased) and the four children of the founder of the group. Set-ups like this one make for a lack of transparency in corporate governance which will increasingly inhibit growth. Underlying all these conditions are the effects of the long history of the highly regulated and protected industrial economy of India which also meant that, as one of those whom I interviewed put it, "The way to make good profits was to invest in securing licences", and firms were very often not subjected to much competition at all (as Cohen reported in his study in 1974).

⁵ It should be noted that Indian software companies, even the very big and commercially successful ones, supply services, not products.

⁶ ‘Golden cage’ because these relationships have enabled family companies to make good profits in the protected Indian market without having to invest in product development. Now, in the liberalizing economy, the foreign partners have little interest in seeing the Indian companies develop, but are more likely to aim to set up on their own. This has happened, for example, to Laxmi Machine Works Ltd, India’s largest manufacturer of textile machinery, and once one of the country’s most successful manufacturing companies. LMW’s Swiss partner has preferred to set up on its own in Coimbatore, since 1991, rather than putting more into the joint-venture.

The question of the moment, therefore, (the subject of the issue of the journal *Seminar* for October 1999) is : “Can a family-run business survive the competitive demands of the post-reform scenario? Can they overcome their historic weakness?” (Das 1999: 12). This writer argues that the possibility of the imminent demise of family business is exaggerated; and he points out both that ‘family firms are not necessarily bad’, and that they may have a strong comparative advantage in some areas of production (he, in common with quite a number of businessmen themselves, cites Fukuyama’s book on *Trust* as an authoritative source on this point: see Fukuyama 1995). But, he says:

Indian family companies also have clear and numerous weaknesses. The four most important ones are: an inability to separate the family’s interest from the interest of the business; a lack of focus and business strategy; a short-term approach to business, leading to an absence of investment in employees and in product development; and insensitivity to the customer, largely because of uncompetitive markets, but resulting in weak marketing skills (Das 1999: 17)

These problems have arisen, according to Das, for two underlying, connecting reasons. The first is the history of the ‘licence-permit raj’ which created the uncompetitive conditions to which he refers here. These gave rise to lack of concern for quality or for customer-service – it was the time of what one executive refers to as the ‘handkerchief on the seat ‘ culture, or in other words the need for customers to ‘book’ their places in the queue, in circumstances in which producers were frequently able to dictate delivery terms. One firm now supplies within a month from the receipt of an order, electrical equipment made in exactly the same way as before, to which it previously attached *two-year* delivery schedules. Having a near-monopoly position in the Indian market it was in a position to dictate terms; and this is no longer the case. These conditions, in which prices were determined on a simple ‘cost plus’ basis also allowed for over-manning and made for lack of interest in product or in technological development, and for business expansion by means of diversification into a series of un-related lines. The second, connected reason for the fundamental weaknesses of Indian business, is the ‘fact’ that “The Indian business world is still largely feudal where the owner centralises decisions ...” (1999: 18). Das, himself an experienced senior business executive, thus identifies the same problems which were meticulously analysed by Cohen in the 1960s.

Cohen identified a nexus of problems surrounding what he refers to as the ‘informality’ in Indian family business and its reliance on personal loyalty and on seniority/’experience’ rather than on technical competence. He found in the firms that he studied that there were frequently problems over decision-making because of the need to refer back to senior family members and the corresponding lack of authority given to managers. There was, he thought, a self-reinforcing cycle in which low trust by the family in non-family executives became a self-fulfilling prophecy. Perceiving this lack of trust, executives failed to identify with the family or with organizational goals, giving rise in turn to puzzlement or disappointment in the family, and confirmation of their lack of trust in outsiders.

The ‘second generation’ business leaders of Madras clearly recognise this syndrome. Suresh Krishna’s highly successful company, Sundram Fasteners Ltd⁷ – it is one of rather few Indian engineering firms which can claim to be ‘world class’ – illustrates the positive sides of the ‘personalised’ business. The company was started thirty five years ago and has never lost an hour of working time due to industrial disputes. There was a period in the 1970s when all the other major companies in the TVS group – of which it is a part - experienced prolonged strikes; but Sundram Fasteners worked three shifts, as normal, throughout this time. In the last ten years the company has gone through a huge amount of change, in the pursuit of excellence, without major difficulty. Both managers and ordinary operators alike put these achievements down to ‘the Chairman’. Workers say “The Chairman explained what we had to do and why. So we did it”. Managers concur that change has been possible because of the very high level of trust that obtains between employees and the Chairman. He himself says “Trust is the key. You have to get your people behind you”. A young manager puts it that “In this company you don’t command. You have to request. All you can command is respect”. Krishna is understandably proud of the extent of trust in the company, and both he and his senior managers put it down to his close personal involvement with workers and their families, and a long-standing policy of transparency and openness⁸. As a result, says a recently appointed personnel manager,

⁷ I use real names here, with permission.

⁸ Krishna addresses employees in all Sundram Fasteners plants several times a year, at big open meetings. In some other companies in Chennai CEO’s – by their own accounts - would run a marathon before exposing themselves in this way. Such meetings would rapidly degenerate, they believe, into fora for the mobilization of ‘demands’.

the company has always been 'relationships-based' rather than 'systems-based'. Suresh Krishna sees himself as having exercised 'traditional' authority. Hindu culture, he argues, is hierarchical and patriarchal, and there is immense respect for seniors and for authority. People actually look for 'parents'. He stands, therefore, in *loco parentis* – he is a self-consciously benevolent paternalist. But Krishna has clearly recognised the dangers which are inherent in the extent of personalisation of relationships within the company and he has sought increasingly to draw back and to promote his professional managers. The successful introduction of TPM – Total Productive Maintenance – in the firm may have depended considerably upon the Chairman's authority, as managers argue, but it has actually brought with it a powerful shift towards greater reliance on 'system'. The company is gradually – and not without some strains in the older plants – coming to depend less on personal loyalty and trust and much more on *confidence* in transparent and negotiated systems and procedures. The change is reflected in the recruitment policies adopted in newly established plants. Whereas in the past, in Sundram Fasteners as in most other Indian companies, recruitment depended heavily upon personal recommendations, it now involves an open, transparent and competitive process in which even the recommendation of the Chairman himself is studiously ignored.

To a greater or lesser extent other old family businesses in Chennai are treading the same path. In one of the other big groups (which includes 32 companies) family members have now withdrawn from operational management of 'their' companies. The CEO of one of the companies, which was managed directly by the current head of the group for fifteen years, says cheerfully "S is non-existent. I run this company – though until last year he had his office next door to mine". This company, too, places a high premium on 'transparency' in management, and has deliberate policies of 'inclusion' of all employees – but in the context of strong systems and procedures which have been directed specifically against the abuse in the past of 'managerial discretion'. The company has been quite ruthless about stopping petty corruption ('middle-class crime') by managers (a respected senior manager was recently dismissed for charging an air fare when he had in fact made a journey by rail, as a junior employee reported to the CEO), just as it has been uncompromising in wearing down union power. In another group there is a similarly self-conscious and deliberate attempt under way, in a programme of 'Renewal', to replace personalised family

management with ‘systems’, rules and procedures, under the direction of professional managers. In this group, also, the family members now restrict themselves to longer-run strategic issues⁹; and they were hardly mentioned in my many meetings with managers and operators in the group’s companies.

These, and other family firms in Chennai (though not all of them, certainly), are striving, therefore, to achieve what the American business school professor identifies as the potential synergy between family and business. At the Family Business Conclave which he orchestrated some family businessmen expressed the view that “In the final analysis the needs of the business have to come before those of the family”, while others argued exactly the opposite, because “Without the family there is no business” or because of the strengths of the family-based enterprise in terms of commitment and loyalty. The professor tried to show that there need be no conflict between family and business and that there can rather be powerful synergy between them, under certain conditions. These conditions are reflected, he suggested, in four key questions:

*Can I contribute to the family mission without being an owner?

*Can I be an owner without being a manager?

*Can I be a member of the family without being an owner?

*Do we have a family even without a business?

If the members of a family can answer ‘yes’ to all these questions, he believes, then they have the foundations of what might be called ‘an enterprising family’. Families which have been successful in business over several generations, he argues, are generally families that have some sense of a ‘mission’ which is not exactly co-

⁹ ‘The Hindu’ reported on 29.8.2000 of another important family group based in Chennai: “In what is seen as a logical move to align itself with the emerging competitive environment, the Chennai-based Rs 1100 crore Sanmar group has de-linked the ownership from the operational management ... Mr Sankar [CMD] rationalized ‘There is a tendency to centralize decision-making around me and Kumar [his YB] as long as we are involved in the operations, no matter how much we resist it. The current step is, therefore, to clearly distance ourselves with operational management and put the authority and the responsibility in the hands of managing directors’”.

terminous with business success; and that are ready to devote considerable effort to 'managing the family', not just the business. They usually have carefully worked out systems of governance which include family meetings or family councils which are not the same as business meetings or boards, as well as boards of directors (of companies) which include outsiders as well as family members. They show a strong sense of 'trusteeship' rather than of 'ownership'. Amongst some of the family businesses of Chennai these ideas are being actively discussed, and though only one of the Chettiar groups has gone very far down this road, the notion of 'trusteeship', at least, is widely encountered, and the professionalisation of management has gone a long way – though mainly in the very recent past - in the years since Cohen and Singer did their research.

Economic liberalization and globalization have certainly triggered off a great deal of change, therefore, in the business world of Chennai. A whole new generation of businesses is growing up which are not family-led as were those of the earlier generation; and in the software industry they have brought in radically different employment practices and styles of management, as might be expected of an industry which requires highly trained, professional staff who are in short supply. Meanwhile family businesses in the Old Economy are changing so that they are no longer so dependent as they were on personalised relationships and loyalty but rather on 'system' and professionalism. Organizational change of this kind has often been accompanied by restructuring and industrial re-engineering, in which many jobs have been lost. One MNC-owned factory in Chennai, for example, employed over 4000 people as recently as 1996. Numbers are now down to 1200 and will soon be reduced by another 400. Meanwhile production from the factory has increased. Managers expect that within a few years the factory will employ no more than 250. In another major, Indian-owned firm numbers have come down (over a longer period) from upwards of 5000 to rather less than 2000 while production has similarly expanded; and to my knowledge there are very few indeed of the older firms which have not retrenched employees, using the instrument of Voluntary Retirement Schemes..

It is too early to say whether Das's question about the prospects for the survival of family businesses in the environment created by economic liberalization, can be answered in the affirmative, or not. The more interesting question for us is that of

whether the changes that are coming about in the organisation of businesses constitute something like ‘social transformation’ rather than just ‘adaptation’¹⁰. The changes which I have described as taking place in a paradigmatic fashion in Sundram Fasteners Ltd seem to reflect a radical disjuncture with older, personalised styles of management, and they might be seen as showing an extension of that process of ‘disembedding’ which Giddens – partly following Polanyi’s earlier exposition of this idea – considers to be one of three sets of factors that underlie modernity. “By disembedding”, he says, “I mean the ‘lifting out’ of social relations from local contexts of interaction and their restructuring across indefinite spans of time-space” (1990: 21). What I have referred to as a shift from ‘personalised relationships’ to ‘system’ is a kind of ‘lifting out’ of relationships from local contexts of interaction; or, in other terms, it represents an extension of the rationalising principles of bureaucracy, and a significant deepening of modernity. There is a curious paradox here because according to the rhetoric which is subscribed to enthusiastically by some of those who run companies in Chennai, the trend is away from ‘control-compliance’ models of business organization (built up around old-fashioned Taylorism), to ‘trust-based’ organizations, involving devolution of responsibility, and participation. Some of those who expound these ideas clearly recognise the irony that the shift cannot be isolated from the existence also of ‘fear’ amongst employees in a climate of retrenchment on the scale I have mentioned, which has greatly reduced union-resistance. The rhetoric conceals the reality, which is that the new ‘religions’ of Indian industrial managers, drawn mainly from Japanese exemplars – religions like ‘Total Productive Maintenance’ (TPM) and ‘Total Quality Management’ (TQM) – involve measurement quite as careful as anything that F W Taylor ever envisaged, and pervasive surveillance, even if employees are themselves drawn into the surveillance system through team-working and practices of continuous quality assurance. The shift from hierarchical control-compliance systems, embedded in personalised relationships which are intended to secure system legitimacy, to ones which are characterised rather by confidence (not ‘trust’) in ‘expert systems’ is real enough. But such management approaches as TPM and TQM exemplify the kind of disciplinary power that works

¹⁰ This opposition of the ideas of ‘social transformation’ and ‘adaptation’ is taken from Castells who suggests that “at the end of the twentieth century we are living through one of those rare intervals in history” – which correspond with those “major events that occur with great rapidity and help to establish the next stable era (and which punctuate the history of life as a series of stable states)” [after Stephen Jay Gould, cited by Castells, 1996: 29].

not from the outside but from within. One account of such disciplinary power could well be a description of TPM and TQM:

Disciplines work within local domains and institutions, entering into particular social processes, breaking them down into separate functions, rearranging the parts, increasing their efficiency and precision, and reassembling them into more productive and powerful combinations (Mitchell 1991: 93)

The same author goes on to note that these methods produce the modern individual:

...constructed as an isolated, disciplined, receptive and industrious political subject. Power relations do not confront this individual as a set of external orders and prohibitions. His or her very individuality, formed within such institutions, is already the product of those relations (*ibid*)

Beliefs and Religious Practices

Generally, Singer says, he found that the industrial leaders of Madras conformed with the self-description which one of them gave of himself: “a fellow who is not an orthodox Hindu but who believes in the essential tenets of Hinduism”. Only two of them expressed any sense of a conflict between their roles as business men and as ‘Hindus’. Rather did they feel, as one said, that “The strains and stresses of modern life is, if anything, returning people to tradition for guidance”. Much the same thing is being said thirty-six years later – as it probably has been, from time to time, throughout this period. The news magazine *Outlook*, for example, had a cover feature in its issue for August 21, 2000 on the theme ‘God is Back’, in which it was said that: “the religion that has been revived is ... very need-based ... it caters to one’s craving for security, peace, even belief ... The new spirituality is just as much about material well-being as it is about spiritual health. It promises to endow its followers with inner peace, satisfaction, harmonious relationships in the private and public spheres and good health”.

These observations correspond with Singer’s conclusions about the ‘industrial theodicy’ constructed by the industrial leaders with whom he spoke, that I outlined earlier, and which – he thought – reflected ‘modernization’ without ‘secularization’. He found there to be an emphasis on what were taken to be the philosophical foundations of Hinduism and on the idea of Hinduism as ‘a way of life’ and a code of

ethical conduct, rather than on ritual observance; and with few exceptions he felt that the industrial leaders could be described as ‘this-worldly ascetics’, working hard with complete absorption in and dedication to their jobs. Much of this still rings true. With the exception of the two branches of the family of Raja Annamalai Chettiar, which have a public presence, a history of partisan political involvement¹¹, and an unusual prominence on the race courses of south India, the present day business leaders of Chennai might well be described as ‘this-worldly ascetics’. There is a strong emphasis on dedication and hard-work, and there are very few tales indeed of ‘playboy’ behaviour amongst them. Members of the present younger generation in the older families are commonly highly qualified and accomplished, and as one of them wrote in an article in ‘The Hindu’ earlier this year, the pressures on them to take up engineering or medicine, no matter what their aptitudes or interests, have often been immense.

Such ‘this-worldly asceticism’ is sanctioned and reinforced by popular readings of the *Bhagavad Gita*, on which public discourses can be heard somewhere in Chennai on virtually every day of the year. On occasion there are big events, like a course of lectures given in English, in one of the two largest auditoria in the city, on *Bhagavad Gita* Chapter XV, organised by the Vedanta Institute, Chennai and sponsored by a shipping agency. These were widely advertised with the line “*Bhagavad Gita is a Technique for Dynamic Living Not a Retirement Plan*”; and the man who introduced the lectures said that he himself has found it “extremely handy in the running of our business, especially in these competitive days”. The *Gita* is frequently referred to by business leaders in order to explain the principles which most say are quite fundamental to their attitudes to their lives and their world. These are ideas (i) that ‘work is worship’ ; (ii) that ‘you should do your duty without concern for reward’ (as the *Gita* says, for example, in the second chapter, verse 48: “Perform your work in discipline unmoved by failure or success, abandoning attachment ...”); and (iii) that success is a function of the effort that we put into something and of a ‘constant’ that refers to what is given by god – or divine grace (what one businessman put to me in a

¹¹ It is rather striking, as one travels around Chennai, that names of the members of this family are more prominently displayed on public buildings than are those of other members of the business elite; while one prominent member of the family is being charged in a court case at the time of writing, along with the former chief minister of Tamil Nadu, J Jayalalitha, whom he is known actively to have supported.

mathematical formulation: $y=fx$, where y =‘success’; x =effort and f is the constant) . These ideas, they say, show that Hindus are not simply ‘fatalistic’, as Westerners so often assume. They also recall Singer’s arguments concerning Weber’s views on Hinduism:

It is puzzling to find that for Weber the psychological effects of the Hindu ethic are wholly negative and anti-rational ... because there are several striking parallels between Calvinistic and Hindu eschatology, and it is not clear why the psychological effects of the one belief system should be so diametrically opposed to the other. Through their emphasis on personal destiny and fate, both systems should arouse ‘salvation anxiety’ in believers (1972: 280)

Such ideas and attitudes are expressed by a majority of the older business leaders whom I think of as ‘pragmatic believers’. They describe themselves being ‘religious’, but not ‘fanatical’ about it; they are not much given either to philosophical abstraction (beyond the basic notions which I have outlined) nor to extensive ritual observance. The following entry from my notes describes a fairly typical case (the person concerned is from the ‘second generation’ in one of the companies included in Singer’s sample):

Religion is important to him (there was an *agar-bathi* burning in front of a large silver statue of Vinayaka as I entered his office}. You don’t find Indian businessmen running off to psychoanalysts like Americans, because they are able to find comfort in religion. Religion is a buffer against problems. He emphasises the belief that we should do as best we can, and then if we don’t get results, it is fate. Do your duty, but success is in the hands of god. He is not to be drawn, however, on Hindu philosophy. He is not a philosophical type at all. Nor does he pray regularly, though there is a puja room in his house and a *purohit* comes each day to perform pujas. There is a sense here, of ‘getting it done’. He is not so respectful towards astrology as some others – ‘They are good at predicting the past’. But still he listens to the prognoses of the *purohits* of his wife’s family in Vijaywada, based on their horoscopes, and if the priests recommend performing a puja he ‘gets it done’. He goes on pilgrimage occasionally to Tirupathi and derives a sense of well-being from darshan there.

But ideas and practices such as these, which seem to correspond well with Singer’s account of those he encountered amongst the people whom he interviewed, are not the whole story by any means. The business leaders of present-day Chennai also include those whom I think may be described as ‘restorers of tradition’, others who are ‘followers of god-men’, and some who are ‘vedic scholars’. Between them they reflect other religious beliefs and practices than those observed by Milton Singer. These include both a very deliberate concern for the maintenance of the tradition of

Hinduism, or the Vedic Heritage, and experience of the miraculous and of ecstatic religion.

Suresh Krishna and more so his cousin Veenu Srinivasan (who are Iyengars) have invested substantial resources in the restoration of eleven important Vaishnavite temples, associated with the Vaishnavite saints. Veenu's initial concern was with the maintenance of tradition, and of spirituality, in the face of growing materialism. A temple which is 'radiant', he says, has tremendous impact on people, whereas one which is dilapidated reflects a community which is disintegrating. Temples are centres of social order (which is of major concern to him), and the temple renovations have changed things in the villages around them. But he recognised the need to support the temple work by putting resources, also, into community development and the trust he set up has built schools (run by his sister who has a Cornell PhD in education) and clinics, and installed water supply systems.

Though they are so active in the maintenance of the Vaishnavite tradition both Krishna and Srinivasan have what may be described as liberal and even 'ecumenical' views on religion. Srinivasan, especially, is spiritually inclined. The point of worship, he says, is not 'transactional' – it is not for what you can get out of it (which is perhaps implied in the attitudes of the pragmatists) – but a means of finding through to spiritual things. He quotes Sufi poetry and St John's Gospel as well as the Vedas, and talks of profound experiences that he has had in churches and in mosques as well as in Hindu temples. It seems possible that Iyengars, like Srinivasan and Krishna, are more strongly oriented towards temples and devotional religion than are Iyers, who are oriented rather to their *maths*. The Sankaracharyas both of Sringeri (in Kerala) and of Kanchipuram (close to Chennai), and their *maths*, are important particularly to the Iyer businessmen of Chennai (though they are respected, too, by Iyengars and others). The Sringeri math is considered to be one of the four established in the corners of India by the great Vedantic theologian Sankara (c788-820 CE). The Kanchi math is less certainly of the same antiquity and foundation, but the former Sankaracharya of Kanchi, who lived to be one hundred years old, still inspires particular devotion, especially amongst Iyer businessmen and executives¹². On the whole, however, the

¹² Singer gives an account of his own meeting with the Sankaracharya of Kanchi (1972: 86-9).

business leaders owe allegiance to Sringeri (and they put up funding for the construction of a Sringeri temple in T Nagar in Chennai). The software entrepreneurs, on the other hand, both Iyer and Iyengar, as I go on to describe, are oriented rather towards personal religion, and their benefactions – thus far, at least – are generally devoted to educational causes.

The software entrepreneurs include some who have very little to do with religion, and others who are distinctly secular in their attitudes. But they also include ‘followers of god-men’, such as Rajagopala whose *math* and the Devi temple which he built (commanded to do so by the goddess when she appeared to him), are in Nanganallur in the suburbs of the city. Rajagopala, whose story includes a number of miraculous occurrences (the image of the goddess in the temple materialized before him in the flames of a sacred fire), has a significant following in the United States, and one of the software entrepreneurs took Rajagopala as his guru whilst he was still working (as he did for sixteen years) in California. The bank branches in Nanganallur are reputed to have bigger NRI deposits than any of the major offices in the city, and NRIs have contributed to the wave of construction of grand new temples there. Others of the software entrepreneurs and a few of the older generation of business leaders, too, are followers either of Shirdi Sai Baba and/or of Sathya Sai Babya, whose associations with the miraculous are well known (see, in particular, the work of Lawrence Babb, 1987 amongst academic accounts; and Seshadri, 1999, for a recent account by a devotee). Babb argues that the very large following which Sathya Sai Baba commands amongst the middle classes may be indicative of a kind of ‘re-enchantment of the world’, and he suggests that:

In the world of middle-class India existential trust may be at a real premium; for its denizens allegiance to Baba [maybe brought about in the first place by the experience of a miracle, such as the appearance of sacred ash on a portrait of Sai Baba] might serve to revive the sense of the efficacy of a tradition that otherwise seems to be rendered increasingly irrelevant by modern conditions of life (Babb 1987: 200)

Others amongst present-day business leaders are more inclined to study of Vedantic Philosophy and to take Vedic teachers rather than to follow ‘god-men’ (though this may be combined with religious devotion and with experience of ecstatic religion). It is commonly asserted – not only by those whom I describe as ‘vedic scholars’ that

there is a ‘religious revival’ or, more specifically, a ‘vedantic revival’ taking place in present-day Chennai¹³. This is confirmed, for example, in reports that it is increasingly difficult to find a *purohit* to come for a family ceremony, not because there are fewer of them than there were, but because they are so much in demand. And whereas thirty years ago *purohitis* were often poor people, most these days, it is said, have at least a two-wheeler if they don’t have a car, and they are well paid for the services they perform.

The ‘vedic scholars’ amongst the business leaders are followers, in particular, of Swami Dayananda Saraswati, who is himself a follower of Swami Chinmayananda (and he in turn of Swami Sivananda of Rishikesh who “taught the Neo-Vedanta formulated by Vivekananda”, according to Flood, 1998: 272). Some of the big Chennai-based companies sponsor both public discourses by Swami Dayananda, and a trust which has been established to propagate his teachings - and an educational kit which has been devised, including graded books and tapes, which are for instruction in the ‘Vedic Heritage’. The Swamiji teaches on the texts which form the ‘triple basis’ of the Vedanta commentarial tradition: the Upanishads, the *Gita*, and the *Brahma Sutra* ; but he also gives many talks around themes like that of ‘Successful Living’. This was the title of the discourses he gave in the Kamaraj Hall – the largest auditorium in Chennai – in February 2000; and his disciples give regular courses on Vedantic philosophy which pick up on the same themes. They aim to show how the Vedanta helps one to develop a new vision of life. “The Vedanta is a painful, time-consuming reassessment of life” but it shows us how we can be happy in spite of the situations in which we find ourselves. There follows here an extended account of a discourse of Swami Dayananda’s, which reflects a particular current in contemporary Hinduism which is highly significant, I believe, in relation to the impact of globalization in Indian society:

Dayananda also spoke, in English, to a huge audience of men and women, young and old, on the theme of ‘Hinduism: what it means and what it does not’. The meeting was organised by an association founded in 1999, the Citizen’s Committee for Dharma Rakshana Sannam, which has the aim of opposing religious conversion – which is seen as an act of violence against Hinduism; and it was attended by several of the business leaders whom I knew. Now Swami Dayananda has been asked to head a sabha of acharyas to organise Hindu resistance; and he himself spoke, later, about the launching of charities in remote, tribal areas to teach people there – who are *not* ‘non-

¹³ This is confirmed in Chris Fuller’s studies of temple priests and their education in Tamil Nadu in the 1990s.

Hindus’ - that what they are doing is right, and to support them in resisting the attentions of missionaries from other religions. “Indians need no lessons in giving”, he said; and Christians have no monopoly on compassion.

The president of the Sammelan spoke at first of her own deep shock – though she was convent-educated - at the ‘spurt’ of conversions which has taken place, and which she said has followed from the last Vatican Council at which it was decided that the time was ripe for ‘harvesting Hindus for Christ’ (murmurings in the hall at this). But, she insisted, the Sammelan has no political agenda and is against no religion. It is certainly not opposed to Christianity and especially not to Indian Christians, though it does oppose certain Christian practices and doctrines – such as the idea that man is made in the image of god, and that woman is somehow incomplete. Describing herself as a feminist, the speaker said that Christianity has always held women to be inferior, whereas in the Indian tradition women are regarded as being of equal importance. ‘Fundamentalism’, she said, has been created by Christianity and by Islam. Whereas Hindus have no problem about accepting Jehovah or Allah, they don’t accept Hindus! Christians, especially, claim the right to convert in order to establish ‘their’ god’s kingdom here on earth. Now, in India, Christian missionaries have penetrated all institutions and activities, and have flooded the colleges. She referred to the investigation of the murder of the Australian missionary, Graham Staines, in Orissa in 1999, which she said, had shown how much the Santals there bitterly resented conversion and felt they had been left unprotected by the state. They reacted, perhaps, in their own way (wrongly, but understandably).

At last Swami Dayananda spoke. He is a brilliant, charismatic speaker. Hinduism, he said, is the *sanatanadharma* (the ‘eternal dharma’, which really means “a view of reality and a way of living”). We have no knowledge of a time when the Hindu religion did not exist. No individual ‘founded’ Hinduism, not Krishna, not Rama – why, Rama was *born* a Hindu. Asking who started the Hindu religion is like asking who started physics. Was there ‘monkey physics’, perhaps, in the first place? The only difference between the *sanatanadharma* and physics is that one is constant while the other is always changing. Hinduism, however, encompasses diversity – and he spoke several times of the development within the Hindu tradition of a dualistic philosophy (*dvaita*) which is much more cogent than those of the ‘founder religions’. Much of his talk, indeed, was devoted to mocking the ‘founder religions’, though especially Christianity – provoking gales of laughter through the hall – and to asserting the supremacy of the Hindu tradition, often to prolonged applause. Especially did he scorn – though with impish humour – the (dualistic) notion of the existence of a ‘devil’ who puts spokes in the wheel of the almighty. Is not the concept of karma infinitely more satisfying intellectually? Outsiders don’t understand the idea of karma, but equate it with fatalism and believe that that these ideas make Indians passive and that their passivity is the cause of poverty in the country. To the contrary, the doctrine of karma makes one responsible, not a fatalist: the karma of an individual is the outcome of the exercise of free will; and free will can finally neutralise karma. “I am responsible for my karma, not a devil!”. (Ideas like these, as I have explained, are articulated by many of the business leaders of Chennai). Outsiders also mistake the central idea (axiom, really) of the *sanatanadharma*. So often they think that Hindus worship many gods, as well as trees, and rocks and rats and so on. They don’t understand (this to applause) that “We say ‘There is *only* god’, not ‘There is one god’ nor ‘There are many gods’”.

Swami Dayananda celebrated the knowledge which is contained within the Hindu tradition, and went on (to further applause): “I am happy that I am a Hindu, and that I am not afflicted by guilt”. So he turned to arguments about conversion: “Conversion is a violence. You betrayed the trust we placed in you when you came and built your churches, when you started to convert. Conversion does violence to the person. I say put a freeze on conversion”¹⁴. And he concluded with the words “Strength is being what you are. You are a nobody if you don’t know that. It is in this sense that Hindus must be strong”. The continuities with the discourse of Hindu nationalism are unmistakable. And one of the business leaders who is a follower of Swami Dayananda said to me once “You know, in my heart I am with the RSS”¹⁵.

¹⁴ Swami Dayananda’s views on conversion are also set out in a pamphlet ‘Conversion is Violence’, published by Sruti Seva Trust, Arsha Vidya Gurukulam, Coimbatore.

¹⁵ He also deplored the destruction of the Babri Masjid, however, and seemed relieved when I told him that those who undertook the demolition work had had to break through a cordon of RSS volunteers.

Much of the foregoing will be familiar, no doubt, to those who have lived for any length of time in India in the past few years, never mind those who are active students of contemporary Hinduism. In the present context these observations, although they may not be particularly distinctive – they might have been made amongst middle-class Indians elsewhere in the country – are significant for several reasons. In the first place they do suggest change since the time at which Singer did his study. His account of the beliefs and practices of the industrial leaders does not mention ‘restoration of tradition’, the following of ‘god-men’ (other than the Sankaracharyas, whom some consider in this way), or experience of the miraculous, or even indicate the kind of interest in the Vedanta which is reflected amongst those, now, who follow Swami Dayananda Saraswati. Of course we cannot be sure that such activities were not pursued in Madras in 1964, but it is surely significant that Singer does not mention them. It seems possible – in view of what my respondents said to me – that the generation of industrial leaders whom Singer met, who had grown up during the Freedom Struggle and most of whom founded their businesses around the time of the creation of the Nehruvian, modernizing state, really were more pronouncedly influenced by secular values and attitudes than their successors; or, perhaps more likely, that they wished to represent themselves in this way to the anthropologist. The unapologetic though clearly defensive celebration, which I have recounted, of the supremacy of Vedantic Hinduism by a religious leader who appeals to some business leaders, at least, would probably not have had such a hearing in 1964. Another possibility is that Singer’s interpretations of his material were influenced by views which he derived from his exchanges with Raghavan, whose version of the ‘Great Tradition’ was both strongly Brahmanical and intellectual, and seems to have had little place for the kinds of religious interests and experience which are strongly represented amongst a significant number of the present day business leaders of Chennai¹⁶. It is rather ironic, therefore, that Raghavan’s project of establishing Sanskritic culture as the foundation of Indian nationhood, should have advanced since his own death partly as a result of the strong influence of devotional religion and spiritual experience (if we take Babb’s point about how allegiance to Sai Baba

¹⁶ This statement should really be taken as a hypothesis which I hope to check out both through closer examination of Raghavan’s work and, if they can finally be tracked down in Chicago University Library, in Singer’s notes of his interviews.

perhaps revives the sense of the efficacy of a tradition which might otherwise seem irrelevant in the modern world: see the quotation above).

Amongst the many questions which remain, the most important in the context of a consideration of the nature of modernity in contemporary south India is that of what the connections are between the sort of reassertion of tradition which is shown in Swami Dayananda's discourse on Hinduism, or in a different way in the 'restoration of tradition' by Suresh Krishna and Veenu Srinivasan, or in temple building in Nanganallur, and 'globalization'. There are connections of a material kind, of course, in the flows of money from NRIs in North America, and in their active interest in their 'heritage' – which, as I mentioned, help to account for temple-building in Nanganallur and for the popularity of a god-man such as Rajagopala. But the deeper connection is given, I suggest - whilst being aware, of course, that this is in no way an original argument – in Swami Dayananda's concluding remarks: "Strength is being what you are. You are a nobody if you don't know that. It is in this sense that Hindus must be strong". India's success in the globalizing world, which matters a great deal to the business leaders of Chennai, who are generally quite desperately concerned to 'show what India can do', seems to most of these people to depend upon Indians 'being what they are'. Hence there is indeed a very deliberate searching back – given material form, arguably, in the 'Vedic Heritage Kit'

A concluding observation

This account of the progress of modernity in Chennai, based on two studies of business leaders, shows – predictably enough - a kind of palimpsest of continuity and change. I have tried to show that the changes that are taking place in business organization – in a context in which it is commonly said that, in response to economic liberalization and globalization, there has been more change in the last five years than in the previous fifty – do imply a deepening of modernity, at least in the sense that 'disembedding' has proceeded further than before. On the other hand that reflexivity which is also characteristic of modernity has lent renewed vigour to the search for the renewal of the Hindu cultural tradition. I believe that this accounts for the sympathy which is expressed for Hindutva, and for the BJP, rather than the reverse. Finally: though a lot has changed in Chennai since 1964, Singer's conclusions about the

process of modernization and the nature of ‘Indian modernity’(which I quoted at the beginning of this paper) appear still to be robust.

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