

# The Long Road to Change

Episode 36 | Everything is Everything

Ajay Shah, Amit Varma

Transcript

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## Abstract

Change is neither inevitable nor guaranteed. Building on their previous episode about “The Reformers,” Ajay and Amit examine the fundamental question of how change happens at scale—both in the state and in society. They argue that meaningful transformation requires understanding the distinct processes that govern each domain, while rejecting the common Indian tendency toward excessive statism.

The conversation explores a comprehensive theory of how the state changes through a policy pipeline running from data collection through implementation, requiring decades of patient work across multiple specialized domains. But perhaps more importantly, they argue that social change happens through authentic one-on-one conversations in zones of truth and trust, where people update their views incrementally rather than dramatically. They challenge the myth of inevitable progress, drawing on historical examples from hunter-gatherer societies to 20th-century political catastrophes to demonstrate that regression is always possible. The discussion concludes with reflections on why individuals should still engage in the work of change despite uncertain outcomes.

## Supplementary Resources

- **Walk Before You Can Run** by Ajay Shah and Vijay Kelkar (Book Chapter) [2]
- **Public Opinion** by Walter Lippmann (Book) [3]
- **Going Bankrupt in India — Episode 80 — Everything is Everything** by Amit Varma and Ajay Shah (YouTube Video) [7]
- **Inflation Targeting Rocks! — Episode 68 — Everything is Everything** by Amit Varma and Ajay Shah (YouTube Video) [5]
- **The Pension Saga in India** by Gautam Bhardwaj and Surendra Dave (Research Paper) [1]

- **Understanding India's Pensions Disaster — Episode 65 — Everything is Everything** by Amit Varma and Ajay Shah (YouTube Video) [6]
- **The Journey of Indian Finance** by Ajay Shah (Research Paper) [4]

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## Introduction: Wait! Need Coffee First!

- [00:00:15] **Ajay Shah:** Welcome gentle reader to this episode of Everything is Everything. Thank you for being here with us.
- [00:00:22] **Ajay Shah:** Amit, you wanted to build on from our previous episode that was called The Reformers. Tell us what you're thinking.
- [00:00:31] **Amit Varma:** Wait. Need coffee first.
- [00:00:35] **Amit Varma:** But I was quick. You know, change came quickly. I have my coffee, I am now ready to talk. And yeah, so at the end, one, The Reformers was an episode I really loved. I thought it's one of our best episodes, partly because the story means so much to both of us.
- [00:00:48] **Amit Varma:** But at the end of that episode, I remember asking you that, hey, these people who fought for decades without immediate reward in sight and often against a tide, what made them do it? And in that episode you gave a fairly lucid answer of why that was a case and why they were motivated the way they were and etcetera, etcetera, and I buy that.
- [00:01:05] **Amit Varma:** But I've been thinking of that since and looking at the question in a broader frame and specifically two broader frames. One is that can you help me with a framework of how we think about change in general? And I mean change at a large scale, at a social scale, if you want to actually, you know, bring about great change, how do you sort of think about that and approach that?
- [00:01:29] **Amit Varma:** And that was question one and question two also was that if I am doing something, and that may not necessarily even be a quest for social change. But if I'm doing something that involves going against a tide, that involves, you know, what Robida, my favorite philosopher had a great song about this where he said, jodi tor daak shune keu na ashe tobe ekla cholo re.
- [00:01:51] **Amit Varma:** So if you tread a path that involves ekla choloing, then, you know, how does one approach it? So, what are sort of your thoughts about this?

## Chapter 1: The Two Kinds of Change

- [00:02:09] **Ajay Shah:** A good classification scheme is to think of a change in the people or a change in the state. Okay, they're two different things. So in every society in the world, there is the state and the people. And the state, you know, should ideally be the agent of the people. All too often, it's upside down, the state becomes a ruler.
- [00:02:31] **Ajay Shah:** So it's interesting and important to ask, what is the process of change in the state and what is the process of change in the people? And for most of us in India, I would just say that by default, we tend to make a mistake that we are excessively statist. We tend to think of only sarkar. We tend to think of government.
- [00:02:54] **Ajay Shah:** We tend to define the words state and the people and mix them up and we think of them as one and the same. Okay? So we say silly things like, India won the World Cup. Like, excuse me, some guys won the World Cup. It had nothing to do with either the people or the state.
- [00:03:11] **Ajay Shah:** So this conflating of Vishwanathan Anand and the people and the state, it's good to unbundle these. They're three separate things. Some bloke won some sports match. There is the people of India and there is the state. It's good to separate them.
- [00:03:25] **Ajay Shah:** And then if you think of a better world, you think of a better society, if you think of purposive action to make the world a better place, then a very important site of that activity is the people. Okay? And because we're so statist, we only think of the state. But actually most of the good things happen in the people. Almost all the truth and beauty and creativity happens in the people.
- [00:03:51] **Ajay Shah:** So it's in the society that all the rot lies. Okay, that the crushing of freedom, the almost casual behavior that erupts all too often in the Indian society, all these are social ills. And they're equally important or they're five times more important.

- [00:04:12] **Ajay Shah:** A fundamental idea for us should always be how can we the people do things ourselves? How can we form the culture, the associations, the networks, the relationships, the firms, the clubs, so that good things happen in the society. We shouldn't always run to the my baap.
- [00:04:31] **Ajay Shah:** So if anything, the state is less important than the people and I just want to encourage everybody to, you know, get their priorities right.
- [00:04:39] **Amit Varma:** So you know you mentioned that the state should be the agent of the people but it is often the other way around. So I've remembered this great Bertolt Brecht poem called The Solution, which I will now read out for you, which is about exactly that.
- [00:04:51] **Amit Varma:** The Solution. After the uprising of the 17th of June, the secretary of the Writers' Union had leaflets distributed on the Stalin Allee, which stated that the people had squandered the confidence of the government and could only win it back by redoubled work. Would it not in that case be simpler for the government to dissolve the people and elect another?
- [00:05:11] **Amit Varma:** Right, great sort of poem by Bertolt Brecht. And in India we have it again the wrong way around where the state rules us instead of serving us, blah, blah, blah. And I want to sort of double click on that theme of how does change come? Does it come from society or does it come from the state?
- [00:05:25] **Amit Varma:** Because it is of great relevance to us in the sense that at the very birth of this republic, we began by making the assumption that change will happen in a top down way. We, you know, brought to life a constitution which Ambedkar himself described as only a as a mere top soil, where he accepted the society is deeply illiberal, but we'll have a relatively liberal constitution and keep them in check.
- [00:05:49] **Amit Varma:** And that was sort of the thought of it. And and the way many people have sort of written about the constitution later, again has that same top down kind of vision. You know, our friend Madhav Khosla who did an episode of the seen and the unseen with me, talks about, you know, the pedagogic effect of the constitution, as if the people need to be taught how to live.

- [00:06:09] **Amit Varma:** You know, it has been described as a transformative constitution. And I object to all of this because what we now know, and obviously you and I can say this with hindsight, but what we now know is that it it can never work from the top down. And Gandhiji, I think, was wrong about many things, but one thing that he was certainly right about is that change has to come from within society, it has to come from the bottom up.
- [00:06:31] **Amit Varma:** And I think many people stopped trying to build that better world where they brought that constitution into being because their thinking was, hey, we got the British out and now we'll, you know, change whatever needs to be changed in India from the top down with a constitution, with a Mybap sarkar.
- [00:06:48] **Amit Varma:** And today any reasonable person would know and understand that that doesn't work, even though it might have been fashionable thinking in that time. And the other thing that I think about, and I've thought about a lot in the last few years, is that there was a time, and I have changed and sort of refined my thinking a little bit.
- [00:07:06] **Amit Varma:** But there was a time I used to think that people like you and your colleagues in the policy world would not achieve anything. My thinking was that, look, if you want change, then you attack the demand end of the political marketplace, not the supply end of the political marketplace. And the state, of course, is at the supply end. You know, supply responds to demand.
- [00:07:28] **Amit Varma:** If you can make the people want something different, if that clamor comes from within society, give us more freedom or give us whatever, you know, it is more likely to happen. Otherwise, you're trying to change it from the supply end, it's pin pricks.
- [00:07:41] **Amit Varma:** Like I said, I've modified that position a great deal. I think even small incremental changes at that supply end can have a massive impact on society, and you need both, not one. And another unrelated context in which I think of it is people correctly, and here it's a question of getting the description right and the prescription wrong.

- [00:07:59] **Amit Varma:** People will correctly will talk about all the things that are going wrong in technologies and say we need to regulate the tech giants because it is, you know, they are, you know, they're using us as data, they are addiction machines, etcetera, etcetera. I agree with all of that. The description is correct, but the prescription they commonly come up with is regulate them.
- [00:08:20] **Amit Varma:** And I could not disagree more with that because once you open yourself up to the principle that the state will tell private companies what to do and what algorithm to use, things can go very, very wrong. Because imagine that power in the hands of the worst person you can think of and not some benevolent person who wants a good of everyone. That is what will happen.
- [00:08:38] **Amit Varma:** So when I think of those problems that, you know, so have possibly been exacerbated by social media, like our tribalism, like the echo chambers we form, like the polarization of our discourse. My belief is that these are social problems and must be solved from within by society.
- [00:08:58] **Amit Varma:** Now, I don't have a particular magic bullet solution to any of these, but I think it is dangerous as we do in India to always think of a state as a route to get there.
- [00:09:09] **Ajay Shah:** I would actually after somewhat different things. So let's play a couple of elements of this. I think at foundational values, it can only come from the people that it is the people that have to wake up and speak up and live the life of greater freedom and greater openness of mind. There is no other way because, you know, the state is not going to meaningfully move the needle in on those issues until the people change their position.
- [00:09:40] **Ajay Shah:** So for example, all over the world, movements on decriminalization of homosexuality and gay marriage really happened when the state and the representative political systems followed the people. That the opinion polls showed the people moving and in democracies, the views of the people matter. Okay? I mean, Mr. Putin is going doubling down on homophobic laws because he doesn't care for the views of the people.



- [00:10:11] **Ajay Shah:** But if the views of the people mattered, then over the years, as there has been a greater space and openness of ideas, the states have followed and you can see that vividly across how many countries have moved positions on these things. So there, I'm fully with you.
- [00:10:29] **Ajay Shah:** I have a subtle disagreement on more practical questions of policy. Let's take our favorite subject, globalization. Okay, see, it is an absolutely fundamental principle in economics that more opening up to the external world is a good thing. Okay, that free movement of goods, services, ideas, people, capital, all these things are healthy and beneficial for the country.
- [00:10:53] **Ajay Shah:** If you have more foreign companies operating in your country, they bring better products, they bring knowledge, they hire people who get taught the technology, the management, the processes of how those companies work and in time this knowledge gets diffused into the country.
- [00:11:08] **Ajay Shah:** This is a very strong idea in the world of the thinkers. It is not comparably well established in the world of the people. It is very easy for a demagogue to appeal to nationalism and say anti-foreigner, and you'll always get some mileage.
- [00:11:23] **Ajay Shah:** So progress on these kinds of things tends to be an elite project. It tends to be a top down project. What tends to happen, as was the case in India is that we had a stall of the economy, we hit a wall in the late 80s. It became crystal clear that the autarchic ways of the Indian state of interfering with cross border activities were working badly.
- [00:11:48] **Ajay Shah:** And all over East Asia and other parts of the world, a more open approach to globalization was working better. And then through the thinkers and the politicians, these ideas started turning into reality. And this is the intellectual capacity of the leaders who are of course part of that world.
- [00:12:09] **Ajay Shah:** So when you look back at the world of Vajpayee and Yashwant Sinha and Jaswant Singh and Manmohan Singh and Chidambaram and Narasimha Rao, there was an intellectual capability in that group of people where they basically got these messages.

- [00:12:28] **Ajay Shah:** It is very easy for a feeble mind to slip into anti-foreigner. So anti-foreigner comes readily. Capital controls, government will ban this, government will control this. You know, these things come instinctively. So this is an example where it is actually an elite project of developing the diagnosis for addressing a political need.
- [00:12:49] **Ajay Shah:** The growth had stalled. Okay, so when growth stalls, you get that widespread misery in the country as we see today. But then it is an elite project to diagnose that and to come up with a batch of recipes.
- [00:13:01] **Ajay Shah:** So I think all these things have to be in play and I don't want to claim primacy for anyone. You need all these things to make a good society. We need the people who will work in depth one person at a time and persuade people. You need people who will work in the world of public policy. And there will be sometimes the citizenry screaming around certain policy restrictions.
- [00:13:23] **Ajay Shah:** Sometimes it will be an elite project of persuading people that, you know, this really doesn't work. We need to change course. So I'm not trying to diss anybody. I'm saying all these are important projects of the change makers.
- [00:13:36] **Amit Varma:** My sense is, I mean, I agree with you entirely. I mean, I don't think you were really disagreeing with me in that sense. I, everyone has a role to play and I guess my lament is that while all of these, you know, different agents of reform have failed us.
- [00:13:51] **Amit Varma:** In a sense, I think by and large, barring a certain period, the elites have failed us. By and large, these ideas haven't gone out into the public. But I think that there are still some elite reformers I can look at and some vestiges of an elite project which made this move towards change.
- [00:14:06] **Amit Varma:** And my lament is that in popular culture, we don't have enough of them. But it can be done. You mentioned globalization in the context of globalization, I would now like to play you dear reader, a famous song that is about the glory of globalization. Here you go.
- [00:14:22] **Amit Varma:** Mera joota hai Japani, ye patloon Englishtani, sar pe laal topi Roosi, phir bhi dil hai Hindustani. Mera joota

## Chapter 2: Do We Take Progress for Granted?

- [00:14:40] **Ajay Shah:** So Ajay, you know, Martin Luther King once said that the arc of the moral universe is long but it bends towards justice. And implicit in that is, you know, a sense that in the long run, we will progress. We are going in the right direction, whether it is justice or freedom or whatever. You know, even if it's really slow, like there's another famous saying about how paradigms change one funeral at a time, meaning you you can't often convince other people.
- [00:15:06] **Ajay Shah:** But over a generation you may have change. And the assumption you and I made, and certainly I made, and I was wrong, is that in the long run, we go towards progress. You look at, you know, what Francis Fukuyama called the end of history, though he did it with a question mark and all of that in 1989, where the Soviet Union's gone, the Berlin Wall has broken down and suddenly we are in an age of liberal democracy and things seem great and we're all going to be free.
- [00:15:31] **Ajay Shah:** Globalization is on the march. Even India starts opening up. Right? And today a lot of those things have reversed and turned around. Authoritarian governments are on the rise everywhere, and so on and so forth. I hardly need to elaborate, but certainly, you know, we are not necessarily progressing.
- [00:15:49] **Ajay Shah:** And I wondered that when we make an assumption of progress, it's actually not a scientific assumption because if you think about it, the sample size on which you base that conclusion is a very small sample size. How many years, how many centuries have there been? Why should we necessarily progress?
- [00:16:06] **Ajay Shah:** I used to think of the enlightenment project as a way in which we mitigate our hard wiring, in which we bring nurture to counter nature. We use culture to, you know, combat our genes. And obviously, we are hardwired for many contradictory things. Some of them are good, some of them are bad. The good ones, Steven Pinker would possibly term the better angels of our nature.

- [00:16:26] **Ajay Shah:** And my assumption was that, all right, we are the one animal where we can rewire ourselves and that yes, as you have said in the last episode, we are indeed monkeys, but we are monkeys who can change and become something better. And I wonder about that because much as, you know, we can amplify the better angels of our natures, we can also, you know, give rein to our worst demons.
- [00:16:46] **Ajay Shah:** We often see a lot of what social media does, for example, as amplifying our worst instincts of tribalism, of othering people, etcetera, etcetera. So what is your sense about like how should we think about progress?
- [00:17:02] **Amit Varma:** You you have to choose the time scales on which you want to play and you can get reasonably different answers. Here are some phases where I felt in a certain way.
- [00:17:13] **Amit Varma:** When you think of the scientific revolution, it is just magic that, you know, nature and her mysteries lay hidden in the night. God said, let Newton be and all was light. It is almost magical how we went from Newton through to through to Maxwell's equations, through to modern physics, to relativity. Okay, that there is a period there where the world opened up and suddenly we could see.
- [00:17:41] **Amit Varma:** Okay? And in that same period, we got Darwin as well. So suddenly in field after field, it felt like we had got eyes for the first time that we were blind ignoramuses before that. And suddenly the power of reason has been gifted to us. It felt magical.
- [00:18:01] **Amit Varma:** But when you look in other aspects of life, it's not that clear that there is a simple idea of progress. In more recent years, it has come to me as a great shock that the childhood story that we are told that humans were some savages who were hunter gatherers and then they graduated to agriculture. Okay? And that agriculture was seen as progress, and then from agriculture came the industrial revolution.
- [00:18:27] **Amit Varma:** Okay, this is a story we are told as children. Modern thinking has moved in many ways against this view. And in fact, in many, many ways, the life of the people got worse with not better with agriculture. Okay? And this is not widely known, and it needs to be stated very clearly that the hunter gatherer life is a bit of a paradise.

- [00:18:48] **Amit Varma:** Okay, people were free, the women were free, and health was good. The male skeleton attained 6 feet. Okay, and the female skeleton is like 5'7". Okay? These are not things you get back until the 20th century. And with the rise of agriculture, it's like all hell broke loose.
- [00:19:09] **Amit Varma:** We got disease, the male height, the female height shrunk. We got social control of human beings, we got the destruction of the happiness of women. Women became property, women became controlled, we got social regulation of women, we really lost out on the entire life experience of women.
- [00:19:29] **Amit Varma:** And grain was central to the creation of early states. And early states were pretty disgusting projects because there was no Magna Carta, there was no rule of law. So it was just state oppressing the people. So when the state went after the people, it was taxation and conscription.
- [00:19:47] **Amit Varma:** Okay? Two nightmares that were brought by the state. The state wasn't a sensible creature that worked for the people. It wasn't an agent of the people. It was a ruling class which created the monopoly of violence and had caprice and whimsy in how it inflicted violence on the people, which sadly is a description of many states in the world that we see around us today.
- [00:20:11] **Amit Varma:** And that was the creation of agriculture. So by all accounts, life got terrible with agriculture. Agriculture was not progress. So if you think of a long darkness from the discovery of agriculture in Babylon about 5,000 years ago, to the emergence of modern liberal democracy, probably 19th century UK.
- [00:20:32] **Amit Varma:** It is just a dark regress in that period. If you had to choose a year to be born into, you would always choose a hunter gatherer period. That was a better life. We were free, okay? We were healthier, and there was no state there to oppress us, to tax us, to conscript us. Getting conscripted to go into a war is a horrible thing.

- [00:20:51] **Amit Varma:** So it took me time to appreciate how wrong our childhood programming was. Similarly, it is by reading James C. Scott that I understood that for a lot of people in history, the project was to be far away from a state. That when a state came up and it grabbed territory, the response of the people was to run away.
- [00:21:15] **Amit Varma:** Why do you want a state that will inflict violence on you, that will conscript you, that will tax you? What good is that? Run away. So the people try to run away. And so you get this whole concept that states care to grab people. They want people to oppress, not territory. This whole lines on maps is a silly modern idea.
- [00:21:36] **Amit Varma:** Actually, what every tyrant wants is more people, because if you control more people, you can oppress them. And the people will exert their best interests and exit, meaning they will vote with their feet and try to leave the bad states. It is better to live in a state of anarchy where there is no state than to live with a tyrannical state.
- [00:21:58] **Amit Varma:** Again, this is all very disturbing and it is not consistent with the simple idea of progress. Okay? And then you get to the 20th century. So, you know, in a way, the great idea of liberal democracy was put to test in the 20th century. And, you know, you and I are old enough to remember how terrible that period was and it is not a done deal.
- [00:22:19] **Amit Varma:** That, you know, we had the First World War, the Second World War, we had the Russian Revolution, we had Nazi rule. Nazi stands for nationalist socialism. It's like the two bad ideas fused into one. And in some parts, after the Second World War, Europe blossomed, many parts of the world blossomed.
- [00:22:41] **Amit Varma:** But the threat of communism was alive and well and there was no telling when things could go explosively bad, when, you know, another country could suddenly turn communist or we were presented with the threat of nuclear war and a global destruction. And so it was that in 1989, when the USSR collapsed, it was an incredible moment of hope all around the world.

- [00:23:06] **Amit Varma:** That for everybody in the world, whether you are the people of the USSR or the people of Eastern Europe or the people of Western Europe or people like us living in India. It was a moment of hope, saying this long nightmare of the 20th century has ended, and now, you know, we're done with this stupid warfare where some people are trying to make a communist country.
- [00:23:27] **Amit Varma:** And now common sense will prevail, good sense will prevail. Everybody will become a modern market economy located in a liberal democracy. Okay? For some time, there was this hope that it would happen everywhere. But here we are in 2024, and this is not true. It didn't happen.
- [00:23:46] **Amit Varma:** And by many measures, there has been a decline of democracy and the possibility of progress all over the world. Country after country is experiencing that polite but brutal phrase, democratic backsliding, which is when your quality of democracy goes down.
- [00:24:06] **Amit Varma:** This is happening all across the world. On a large scale, there is a variety of measures. You can quibble about the measures, but nobody can doubt that the extent of freedom, openness, fairness in the political system has gone down in country after country.
- [00:24:20] **Amit Varma:** And so, I want to appeal to the 20th century and choose a correct time frame. I choose the time frame of one life. Because I say selfishly, that's what we care about, right? So, imagine, gentle reader, you are 20 and you have one life in front of you. Or imagine, gentle reader, you're 60 and you have the rest of your life in front of you. That's our planning horizon.
- [00:24:44] **Amit Varma:** That's a life you got to look at. So now take a random sample of the 20 year olds of the 20th century. Take a random sample of the 60 year olds of the 20th century. And you know what? For large fractions of the people, the rest of their life actually went terrible.
- [00:24:59] **Amit Varma:** And for me, it has become a guiding principle that social and political catastrophe is always possible. There's one thing we learn from the 20th century. It is that political and social catastrophe is always possible. So you should never get lulled into the notion of progress. There are no guarantees. When progress happens, it's nice, but there are no guarantees.

- [00:25:22] **Amit Varma:** You know, look at us in India. When in 1947, we had one of the most amazing post colonial settings of the whole world. There was no other country that had people like Gandhiji and Nehru and Tagore and Ramanujan. Okay? Like we were the star pupil of what post colonial experience was supposed to be. And you know, look at where we've come.
- [00:25:44] **Amit Varma:** So there are no guarantees and progress is not certain. So I just want to say that it is important and essential that we should dream of progress and we should wonder how can the world become better? We should care about the world becoming better. We have skin in the game. But we should not get lulled into thinking that it's locked in and it's going to happen.
- [00:26:07] **Amit Varma:** And we're sure and you just have some millennial fervor that, no, no, it's going to happen. There'll be some minor ups and downs. No. Like imagine you're standing in Germany after the First World War. There was an immense flowering of freedom with the Weimar Republic starting from 1918. It turned into Adolf Hitler in 1933.
- [00:26:29] **Amit Varma:** Okay? Imagine you're standing in the Soviet Union at the collapse of the Soviet Union in 1989. You're thinking everything is going to be great. We've finished. This nightmare of communism has ended. The country broke up into pieces. So wonderful, Estonia is free, Latvia is free, Ukraine is free.
- [00:26:45] **Amit Varma:** Okay? This thing, the whole nightmare of the 20th century is ended and we are starting over. We'll get it right this time. No, you didn't get it right this time. And you know, Russia collapsed into Putin. And even Poland almost went wrong. I mean, now Poland is coming back to its feet.
- [00:27:00] **Amit Varma:** Hungary in the center of Europe is turning into one of the most disgusting countries of the whole world. So there are no guarantees. Things can go very wrong. Think of China. 1978, Deng Xiaoping began a program and, you know, he was trying his best and he was a very smart person.



- [00:27:16] **Amit Varma:** But all in all, his program did not work. In 2012, you got Xi Jinping and it is a return to concentration of power, to absoluteist one-man rule, a crushing of freedom, a destruction of all the pieces that made China great. And today, the entire Chinese story is up in confusion and turmoil. And there is no telling what is the way out for China.
- [00:27:38] **Amit Varma:** How will they ever find their feet again? Even if Xi Jinping vanishes from the stage tomorrow, there is just no telling about how to get back to the path of becoming a good, strong, civilized country with people and state coming together and finding their peace.
- [00:27:55] **Amit Varma:** And there are wonderful stories where South Korea, Japan, Taiwan, you know, found their feet and everything became great. These are wonderful countries that really got the people and the state, everything has come together and it has risen. But I'm just saying there are no sure things. So I feel that we should be skeptical about the word progress.
- [00:28:15] **Amit Varma:** We should strive for it. We should endeavor for it, whether the unit of change is a person or a small community of a few people or change on a bigger scale. We have skin in the game. It is both good values and self-interest to try to make the world a better place, to try to make our little world a better place.
- [00:28:35] **Amit Varma:** As Gandhiji said, be the change that you want to see in the world. Okay? It has to always start with us. So I'm not dissing the project of change, but I just want us to be a little cold and careful and nervous about the world.
- [00:28:51] **Ajay Shah:** I'm reminded of what Thomas Jefferson once said about the price for liberty being eternal vigilance. You know, it is and especially, you can take other things for granted. You especially can't take liberty for granted because always power is pushing back against you and always so many of the ideas that we hold dear like spontaneous order and the positive someness of things are counterintuitive.
- [00:29:11] **Ajay Shah:** So that fight for them is constantly on. You know, Margaret Thatcher once said that, you know, there are many battles you can't just fight once, you have to keep fighting again and again. You know, so that's a sobering thought.

- [00:29:23] **Amit Varma:** Every generation has to fight its own battles. I'm trying to remember who was the person who came out of the constitution drafting project in the United States. I cannot recollect the name. And somebody on the street asked him, what have you done? What have you given us? And he said, a Republic, if you can keep it.
- [00:29:45] **Ajay Shah:** Yeah.
- [00:29:45] **Amit Varma:** Okay? And I think that's a great way to put it. That you have to keep it. I mean, every generation has to fight for that freedom. And dispersion of power, the idea of a Republic, the idea of rule of law, the idea of constitutionalism, always hangs by a thread and there are no guarantees and, you know, there can always be a collapse.
- [00:30:05] **Amit Varma:** I mean, hey, in 2022, we are back to large scale high intensity land warfare, the kind that we had thought would never happen after the Second World War. And here we are in the 21st century with that kind of war. So I'm just nervous about that millennial sense that progress is inevitable.
- [00:30:25] **Ajay Shah:** Naughty thought once struck me, which might be too flippant for such a serious episode. But I thought that in a sense, it is good that we are not progressing but going backwards and we are surrounded by bad news everywhere, because a creator economy is booming and Ajay Shah, we need content.
- [00:30:41] **Amit Varma:** Yeah. Like if there had been no war in Ukraine, what episode would you make?
- [00:30:44] **Ajay Shah:** What episode would we make?

## Chapter 3: Changing the State

- [00:30:55] **Ajay Shah:** So Ajay, you're not you're not actually sitting in front of me in an armchair, though you are sitting in front of me in an armchair, but what I mean is you're not being an armchair Gni and you know, giving dope about the world. You've actually worked within the system. You've worked in the state for 20, 30 years and you know, you have seen that process of change play out.
- [00:31:12] **Ajay Shah:** You've been an agent of change yourself. We've had that, you know, you and Renuka Sane were on that episode with me where we discussed the pensions reforms. You've spoken about a lot of the other stuff that you've done. My great episode with KP Krishna is, you know, an outlining of what your posse of people did in a sense over a period of time.
- [00:31:29] **Ajay Shah:** How does a state change? Take me through that process. Show me the engine room because sitting here on the outside, everything seems incredibly glacial to me. And, you know, some change does happen, but it seems arbitrary. And today certainly sometimes feels like we're going backwards.
- [00:31:44] **Amit Varma:** It is important to have a theory of change around the working of the state. And I have intensely studied this subject by watching many, many projects of policy reform and also the kind of projects where I was a participant or I was present in the room.
- [00:32:04] **Amit Varma:** So I think of a policy pipeline that runs from left to right. And left to right is a sequence. It is an ordering that you can't jump the steps. You got to go left to right. And that's straight away is a cautionary story because all too often people go wrong, they try to jump to the end and they haven't done the early stages.
- [00:32:22] **Amit Varma:** Okay? So let's start. It starts at data. Okay? All change starts at data. If you don't have data, then you are vulnerable to ignorance. Worse, you are vulnerable to spectacle. Okay? So there is a bunch of people in this world who are able to create spectacle and will just paint any nonsense picture.
- [00:32:42] **Amit Varma:** And we will all be vulnerable to that. We will be deluded. So, the process of change, the beginning starts at data. That the first step in any society is the measurement. You got to know what's going on. If you don't know what's going on, it's game over. And you will never be able to identify problems.

- [00:32:58] **Amit Varma:** You will never be able to embark on any feedback loops of progress if data is not done. So the first task is of establishing data. One after another, we need pillars of measurement. If there is a field you care deeply about, your job is to first build measurement systems.
- [00:33:17] **Amit Varma:** So for example, if you believe that air quality in India is important, very well, you need to put in about a generation of time, meaning about 25 years of time to build a proper measurement system around air quality. And you'll say, but we can't wait 25 years. And I will say, yeah, what to do?
- [00:33:34] **Amit Varma:** Okay, so you can't short circuit this. Meaning no amount of moral fervor or urgency can substitute for data. Without the early stages of this pipeline, which are more knowledge intensive, we get into this caricature that there is a crisis, something must be done, X is something, let's go do it.
- [00:33:51] **Ajay Shah:** It's a line from yes Minister.
- [00:33:52] **Amit Varma:** So there is a great bait and switch that happens in the world that when there is a great moral panic that, oh my god, we've got to solve X. That is the time when the most cruel, oppressive things are rushed through by the state because the people are deluded.
- [00:34:07] **Amit Varma:** And in a moment of fear, they just want some authority figure to tell them that, hush now child, I'm telling you what to do. Okay, people don't want to stand on their own feet and be responsible for their own life and be responsible for thinking. People are too willing to accept propaganda, to accept spectacle as a substitute for truth.
- [00:34:28] **Amit Varma:** So the starting point has to be data and we have to build measurement systems and this takes long time. And one of the realizations is that in less developed countries, often times a government run measurement system doesn't work too well, because it is easy to snuff out government led measurement.

- [00:34:46] **Amit Varma:** So it's good to think of many, many ways to do measurement that will actually create information in society that is not within either the problem of state capacity, where governments will fumble and fail and will honestly do an incompetent job, or will snuff out measures that paint the government in poor light.
- [00:35:09] **Amit Varma:** In this I want to draw the attention of everybody to the glory called satellite imagery. Okay? The bird in the sky sees the damn truth. It's a revolution in observation. Yes, you can't observe everything through satellite imagery, but there is an explosion going on. There is a great world opening up.
- [00:35:27] **Amit Varma:** Um, unsurprisingly, it is very difficult to get your hands on imagery from the Indian ISRO. But without any friction, there is beautiful, great amounts of data being released by various satellite providers, both public and private elsewhere in the world. And they see India and there's tons of data that can be obtained about India, about Bangladesh, about Sri Lanka, about Mozambique, about every country of your interest.
- [00:35:59] **Amit Varma:** So that's a very important revolution that expresses the essence of the kind of thing one would like. I'm not implying that satellite imagery substitutes all human based data. You do need human based data, but this gives you a flavor that satellite based imagery is a way to bypass the government.
- [00:36:15] **Amit Varma:** Neither do you need state capacity in the government that, you know, do we have an ISRO that has the wisdom to create and release imagery for free download by users all over the world? Unfortunately, currently, the answer is no. But there are others in the world who are doing that. So you can go and get that.
- [00:36:32] **Amit Varma:** And the other is the ability of a government in a poorly working country to snuff out or distort the data that is not to their liking.
- [00:36:43] **Ajay Shah:** Very quickly, give me an example of an insight that you've got from satellite imagery.
- [00:36:48] **Amit Varma:** This could be an entire episode of EIE at some point. There are just hundreds of amazing cool stories about things you can measure from the sky. Let me show you some. We have worked

- [00:37:02] **Ajay Shah:** Give me one example. We'll do a separate episode later.
- [00:37:05] **Amit Varma:** The satellite sees the earth on a pixel size of half kilometer by half kilometer. It takes a photograph at 1:30 a.m. Okay? Now at 1:30 a.m., the lights there are the lights of streetlights and petrol stations and the lights at the border of a commercial complex and so on.
- [00:37:28] **Amit Varma:** So the lights at 1:30 are correlated with prosperity. So the bird in the sky gets you a monthly picture of prosperity at a half k by half k pixel level. It's an unimaginable level of precision in seeing economic prosperity in India. That's one example.
- [00:37:48] **Amit Varma:** There are hundreds of examples. This is a field where we have worked. We are at the global frontier of improving the NASA methods on how to process this nighttime lights data. So this is a field I know well, but there are innumerable other stories.
- [00:38:05] **Amit Varma:** But anyway, back to the pipeline. The first step is data. If you don't have data, it's game over. You will just have opinion, you will have impression, and the guy with the biggest megaphone will win. So everybody will have nonsense and the guy with the biggest megaphone will win. And generally the modern world is structured so that the worst guy has the megaphone.
- [00:38:24] **Amit Varma:** So you will surely have wrong impressions. Like whatever is common knowledge is generally wrong. Okay? In almost any field, when you get the microscope going, everything that is loudly stated by all famous people is wrong. Okay, so fame is a curse. It interferes with information.
- [00:38:41] **Amit Varma:** Okay? The next stage is research. So then you need the mad people who will study that data and develop knowledge about the world, who will develop deep insights into the world. This is generally classified into correlations and causation, and both are important.
- [00:38:56] **Amit Varma:** Okay, so I absolutely do not dis mere correlations. That's just the foolishness of some part of the economics profession that somehow mere correlations are considered uninteresting. Correlations are incredibly useful and incredibly important. You need to know how to interpret them. You need to be cautious in the interpretation, but it's very interesting to know facts about the world, to know correlations about the world, and to develop insight into the world.

[00:39:21] **Amit Varma:** There are many, many paths to insight.

[00:39:23] **Ajay Shah:** In fact I have a useful correlation with a fantastic insight and the correlation is that the number of total hours watched of everything is everything has been going up at the same time that India's GDP is going up. So the you know the prosperity of our nation relies upon us.

[00:39:37] **Amit Varma:** is highly because of everything is everything.

[00:39:39] **Ajay Shah:** Of everything is everything. I'm sorry, continue. I couldn't help that.

[00:39:41] **Amit Varma:** So that's the next stage that there is data data everywhere but not a thought to think. And then there is the research stage which churns that raw refinery, the unprocessed data. Okay, so the pipe that comes out of the CMIE is the crude oil. And then the research stage is what is the refinery? And that's where you create useful products and that is knowledge.

[00:40:06] **Amit Varma:** And that knowledge can feed back to understanding the world for purposes all across the landscape, including the state. Okay. Now you come to the third stage saying we have good data, we have good research insights, we understand the world. And we have identified a malady in the world. It has to be a market failure.

[00:40:24] **Amit Varma:** Okay, meaning other things are not the business of the state, but we have identified a market failure and we've started thinking, you know what? How could we do something about this? Can there be purposive state action which will do something about this?

[00:40:33] **Amit Varma:** Okay. And again, at that level of sophistication of the data and the research, we would hope that there is an intellectual community that is able to just, you know, brush aside a whole bunch of things that are not market failure, that don't come to me with your pet peeve. Don't come to me with your personal value system. Okay? Don't come to me saying there are so many homosexuals in this country. Okay? That's not a market failure.

- [00:40:56] **Amit Varma:** That is the personal judgment of whatever people want to do. People should be free to live their life. Okay? That takes us to market failure. Now, in this, what you want is the lowest coercion, the lowest cost ways in which a state intervention can be feasibly constructed that will help.
- [00:41:16] **Amit Varma:** So, what you want is an imaginative, creative phase of inventing solutions. And what is a good solution? A good solution is one that substantively gets the job done while costing the least. And I always want to use the word cost as in either money or coercion. And remember, all tax money is made out of coercion.
- [00:41:33] **Amit Varma:** So it's not different. Ultimately, the poison is coercion. The poison that the state drips on the people is coercion. So you want to use coercion as little as possible. So for the least input of coercion under reasonable assumptions of state capacity, which is a euphemism for reasonable assumptions about state incapacity.
- [00:41:54] **Amit Varma:** Can we get the job done? Can we substantively get the job done? Maybe not 100%. Can we get it 60% done? Okay, this is the puzzle at stage three. That is, can we imagine solutions? Can we imagine designs of state intervention that are feasible, that don't impose ridiculous levels of coercion that will not just bog down with unintended consequences.
- [00:42:13] **Amit Varma:** And you need very creative thinkers who will imagine those solutions.
- [00:42:18] **Ajay Shah:** Quick note for the gentle reader that we've actually done three episodes on the nature of the state which will be linked from the show notes. And the second of those is actually about exactly about this, that how do we think about policy? What should the state do? What should the state not do? So if you want an elaboration on some of what Ajay is talking about, that's a place to go to.
- [00:42:35] **Amit Varma:** So we need an imaginative stage of thinking of solutions. And I have one non-obvious comment to make here. The machinery of formal universities, which is the subject of another episode of everything is everything.
- [00:42:47] **Ajay Shah:** Fixing the knowledge society.



- [00:42:48] **Amit Varma:** Fixing the knowledge society. The machinery of universities as presently constructed does not do this step. It's just it's mysterious that imagining policy solutions is not the subject of the academy somehow. They've pushed it out. Like
- [00:43:01] **Ajay Shah:** And of course the academy doesn't, you know, want to engage in policy solutions because that would mean they have to engage with the real world. And as we discussed, that is not their remit anymore.
- [00:43:09] **Amit Varma:** Yeah. So that is stage three, that you need to imagine multiple rival solutions. If a country is told there is no alternative. If you're told there's only one solution, you're being shortchanged by the intellectual community. There should always be many rival ideas. It's healthy, it is appropriate. I may have a belief that X is a solution to something.
- [00:43:29] **Amit Varma:** But if there is not vigorous content contestation in the world of ideas, where other people have other solutions, and we argue it out in good faith, if that argument doesn't take place, then you're getting shabby ideas. Okay, so when there is only one game in town, you have surely got a bad thing going.
- [00:43:46] **Amit Varma:** Okay, so we've flown from data to research to imaginative policy solutions, to the next stage, which is there should be a public debate around these things. Okay, that there should be vibrant public debate where many people are arguing in a free and frank manner.
- [00:44:03] **Amit Varma:** And this basically comes out of both the strength of the intellectual community and, you know, the number of thinkers that you have in the country and the freedom of speech. Because if you have a chilling environment where freedom of speech is proscribed, then people will just shrug and, you know, they will pursue their own self-interest and let it go.
- [00:44:22] **Amit Varma:** Like, why fight? If I'll get into trouble, why will I complain? So what you need is a cantankerous, complaining environment in the public sphere, where people are vigorously contesting ideas and criticizing the status quo. If you don't criticize the world, how will you ever make it better? Okay, so that is part four that we need a vigorous public debate. Okay, and this leads to many, many policy proposals which are starting to bubble up.

- [00:44:45] **Amit Varma:** And this is where the phrase Overton window comes up that you need to widen the Overton window that more and more people need to become comfortable that yeah, you know, X is a decent idea. It should be considered or some part of X needs to be taken in.
- [00:44:57] **Amit Varma:** At this point, generally in India or in the India of old, when we were a kinder, gentler policy environment, there would often be a government expert committee. The job of government expert committees was to sift through this debate and examine rival views and find a middle road and mainstream a certain consensus.
- [00:45:17] **Amit Varma:** So again and again, government committee reports have listened to a debate and have generally supported more heretical ideas and made them more normal. Okay? So the job of government committees is that, you know, you need wise people, okay, older people, people with a with two feet, one foot in the intellectual world, one foot in the establishment, in the world of doing, who are able to listen to these debates and short list some feasible solutions and to help legitimize and make acceptable some of the more unusual ideas that were otherwise seen as, oh, that is too radical, that could never be done, that is so new.
- [00:45:57] **Ajay Shah:** I want to quickly for our gentle readers, demystify the term the Overton window. For those who may not have heard it before. The Overton window essentially is that, you know, is how you define and how you look at what is acceptable within the discourse today.
- [00:46:12] **Ajay Shah:** That you can, you know, you can go to this extreme and that extreme, and that is your overton window, but you can't go on that side or this side. Those are really extreme views. And what the phrase comes from shifting the overton window is where you gradually shift the bounds of what is acceptable discourse more and more to one side.
- [00:46:30] **Ajay Shah:** For example, 30 years ago, you know, gay marriage would not be on the agenda. It was completely outside the Overton window. Today, thank God it is and some day it might, you know, even be just common place. And one there would be no debate about it at all.

- [00:46:43] **Ajay Shah:** Similarly, I often joke with people that I shifted the Overton window of duration and podcasts, because once I started doing my five hour, six hour episodes, you know, people people thought it's okay, we can now do two hours, three hours and so on. Back in the day when I started, one hour was considered a deep dive, but now one hour is like a miniature. So I will take credit for that, but continue.
- [00:47:04] **Amit Varma:** After the stage of the public debate, you come to the government committee reports, and then you come to decisions. Most important decisions are encoded into laws. In a good country, elected legislators write laws. In a bad country, the joint secretary writes the law.
- [00:47:21] **Amit Varma:** But in any which way, these are the people who own the country and, you know, so the in the Indian administrative state, legislators don't do much. It is the joint secretary that drafts the law. So all these inputs go to that internal decision process, and some decisions are made.
- [00:47:38] **Amit Varma:** And finally, you want to come to the implementation stage. In the implementation stage, two things happen. An idea is translated into a law. So for example, it is one thing to think inflation targeting, it is another to turn it into a law. It is one thing to think new pension system, it is another to turn it into a law.
- [00:47:55] **Amit Varma:** Okay? So as an aside, my personal journey, I thought about the new pension system, but at the time I was clueless and I did not know what it meant in terms of its legal scaffolding. So while I was a spectator while the law was being drafted, I actually didn't know anything. I was clueless.
- [00:48:09] **Amit Varma:** By the time we got to inflation targeting, I had the full legal knowledge. So I was able to walk that full mapping from monetary economics to the drafting of a certain agreement to the drafting of a law. By that time I had the knowledge of how to draft a law. The last step in implementation is the organization design.
- [00:48:27] **Amit Varma:** That if a law has been drafted, how will you build a government organization that will meaningfully be able to discharge this law? By default, a government organization is just a waste of money and random casual attacks on private people using coercive power.

- [00:48:44] **Amit Varma:** How do you not do that? How do you create efficiency? How do you create accountability? How do you create checks and balances? How do you create a government organization that will actually deliver on the objectives of a law? That is the last stage of the implementation. So this then is the policy pipeline.
- [00:49:01] **Amit Varma:** How does the state change? It's changes in every field through a journey of data, research, imagine imaginative people who dream of rival solutions of which are the market failures and how can they be efficiently addressed. A public debate around these rival solutions, an internal government committee process and a decision process through which more and more novel ideas get normalized and legitimized and turn into decisions and an implementation phase of drafting laws and designing government organizations that will implement laws.
- [00:49:39] **Amit Varma:** And as you can see, this is a wildly heterogeneous range of knowledge. Data is the knowledge of how to measure, how to build a statistical system, how to observe. Research is knowledge of statistics, economics, other social sciences. Imagining policy solutions is really public policy, public administration knowledge.
- [00:49:59] **Amit Varma:** Public debate is the podcasters and YouTubers of the world and the op ed writers of the world. Government committees is a mix of high intellectualism and real world knowledge about how government works and how the world works. Then you get to the Indian administrative state where the joint secretary writes the law. That's a different skill.
- [00:50:20] **Amit Varma:** Then there is the drafting of law. That's a different skill. Okay? So to understand the idea of inflation targeting and accurately draft a well drafted law to do that is exotic skills in India. Most drafting of laws in India is really poorly done. Most lawyers in India don't know how to draft law.
- [00:50:39] **Amit Varma:** And then you get to the organization design, organization behavior of how to design an organization, how to get the management system of an organization, right. This is closer to an organization design work that like a Bain consulting or a McKinsey would do.

- [00:50:54] **Amit Varma:** Okay, all this knowledge adds up to the knowledge of how the state works and what is the process of change in the state. And there is no running away from this pipeline. If you don't have the data, you don't have the research. If you don't have the research, you are just proposing solutions based on your political preferences and not on understanding of the world.
- [00:51:16] **Amit Varma:** If you don't have multiple rival solutions, there can be no public debate. If you don't have freedom of speech, if you don't have thinkers, there can be no public debate. If there is no vibrant public debate, there was no competitive marketplace of ideas, and then some shabby ideas will come through to the government committee process.
- [00:51:33] **Amit Varma:** If you don't have a government committee process, you will not have that nurturing of radical ideas and normalizing them of sifting through debates and coming up with a governmentish agreement that, you know, one, two, three are feasible ideas. And if all this does not go to the joint secretary who has to write a law, then she will write a bad law.
- [00:51:51] **Amit Varma:** Okay? And if you don't know how to draft laws well, you'll get shabby laws and it dies there. And if you don't know how to build organizations properly that will have check and balance, it dies there. All this is needed and it runs from left to right. So does it take 25 years? Yes, but there is no other way.
- [00:52:07] **Ajay Shah:** Let me ask a provocative question. When I think of the 91 reforms, even if, you know, some of these ideas were in the pipeline and were being discussed by all the reformers we spoke of in the reformers episode, there was no public consultation. In fact, it all happened fairly quickly, and so on and so forth. And a lot of the good reforms actually have happened fairly quickly without going through all these stages.
- [00:52:30] **Amit Varma:** I don't agree. I don't agree.
- [00:52:31] **Ajay Shah:** The most of the 91 reforms did not go through public consultation.

- [00:52:35] **Amit Varma:** So watch me. Okay? So I could go do this in many ways, but let me take one of a favorite examples, which is removing customs duties. Okay, so removing trade barriers to the country. This is a hotly debated subject amongst the economists. You may not call them the public, but basically, I mean the people, not the state.
- [00:52:55] **Amit Varma:** The people, since Bhagwati and Srinivasan and Manmohan Singh's PhD thesis since the 60s, this has been vehemently debated by the economists. There were always the lefties and the nationalists who wanted to do barriers against the world. And one by one, the research came out, the data came out, the research came out and the public debate in conference after conference, these debates were won by the reformers.
- [00:53:20] **Amit Varma:** So that by the time you got to 1991, for a whole bunch of people, this was a closed question that there was only one way. You have to go from 350% duty to 5% duty. The only question was how, the sequencing, it was a matter of implementation. But there were actually like 20 years of investment in the early stages of the pipeline that led to that simple clarity that trade barriers have to go.
- [00:53:41] **Amit Varma:** There is no future for India without removing all the trade barriers. That was solved in the early stages of these pipeline, of the pipeline, starting from the 60s till 1991.
- [00:53:50] **Ajay Shah:** But were all the reforms discussed like that?
- [00:53:53] **Amit Varma:** Not all. But this is an example
- [00:53:54] **Ajay Shah:** I mean that's what I meant. You give me an example.
- [00:53:55] **Amit Varma:** I gave you a good example. There are others that are less so. And by the way, many of the less so worked out less well. Because out of this journey, you get the refinement and clarity on knowledge, you also grow the people. The people who are involved in all this have the knowledge because the joint secretaries don't know much. Okay? It is the people in the society that have to have all this knowledge.

- [00:54:15] **Ajay Shah:** At this moment in time, this very episode is being played on a giant screen in a large hall full of joint secretaries who have gathered to, you know, to protest against everything that you are saying about them. There's nothing wrong with joint secretaries. And you are calling people with a broken ankle, you don't even have all your joints.
- [00:54:33] **Amit Varma:** True.
- [00:54:43] **Ajay Shah:** So Ajay Shah, you know, earlier in this episode, we had that quote about how paradigm change one funeral at a time. You have controversially said and memorably said society changes one WhatsApp uncle at a time. Kindly explain.
- [00:54:56] **Amit Varma:** So far, I was talking about the state, but we began this episode saying, no, the people are actually more important. The society is more important. Okay? We should not get wired into this statism. Okay? The I said that the greatest problem of the modern world is the role of spectacle.
- [00:55:15] **Amit Varma:** That whether it is celebrities or governments, they have an ability to hijack our minds and it is our job to be self-conscious and to push back. Okay? And the state has a very high footprint in our life, but actually it is the people that matter more.
- [00:55:31] **Amit Varma:** All the wealth is created by the people. All the art is created by the people. All the truth and the beauty and the creativity lies in the people. I mean, the state can ideally help ensure that there is safety in the streets, and sometimes it does not even do that.

## Chapter 4: Changing Society

- [00:55:46] **Ajay Shah:** They can set up a commission to compose a Sonata. They can set up a commission to come up with a new Raga which is nationalistic. But I'm sorry, continue, yeah.

- [00:55:54] **Amit Varma:** Yeah. So even more important is the people. Here I feel that there is only one good, feasible, meaningful path, which is that it is when we make eye contact with each other and we are in a zone of truth, when we are in a zone of trust, and we talk to each other and we argue with each other. That's all that happens. Nothing else works.
- [00:56:14] **Amit Varma:** So, you know, like, will you do advocacy for tolerance towards homosexuality using social media? I think that gets nothing done. That gets precisely nothing done. This whole modern notion of a megaphone of the mass media and a lot of shouting will be done. I think it achieves nothing. It doesn't persuade anybody. It doesn't change positions. It doesn't change anybody or anything.
- [00:56:42] **Amit Varma:** What works is quiet, careful conversations from one to another. Okay? We each should embody the change in the world that we would like to see, and other people will do as we do, not do as we say. So it's really about the truth. It's about how we are with each other and how we gently keep persuading each other around what is our conception of good values and a good society and a good life.
- [00:57:10] **Amit Varma:** Um, I have shifted my positions a lot around what happens in arguments and persuasion. When I was a child, I used to believe that I just have to show you how starting from Newton's laws, we can prove Kepler's laws and caboom, the world changes and suddenly you will reject all the superstition that came before.
- [00:57:32] **Amit Varma:** Okay, so I used to think that a good clean argument and evidence gets the job done right there. And that, of course, is completely wrong. Then I switched into many decades of gloom where I thought that we never actually talk to each other. We just talk past each other. We politely smile at each other. We try to avoid conflict, and we actually never change our minds.
- [00:57:52] **Amit Varma:** And we each of us are on some random walk of our own views and beliefs about the world, and there is no possibility of persuading each other. And that was also wrong. It was excessively gloomy.



- [00:57:59] **Amit Varma:** Today, now that I'm all grown up, I have a superior understanding of the world. So I believe that if we are in a zone of truth, if we are in a zone of trust, then we'll hear each other. We'll actually hear each other. Um, I will never be honest enough to say in front of you that you were right and I was wrong.
- [00:58:23] **Amit Varma:** Okay? This is my human frailty. Okay? I'm a stupid monkey walking on the prairie. And I have the inability to say that I was wrong. So in front of you, I will never admit that I was wrong. In my own heart, I will not admit that you were right and I was wrong. Leave alone having the honesty to say so openly, that you know what?
- [00:58:42] **Amit Varma:** That's a great argument. You are right. I will shift my beliefs in response to your cogent argument or in response to your amazing four line quotation from Bollywood. But, I think that when we do conversations in a zone of truth, in a zone of trust, and let some time go by and the human mind will mull over it, then we will update by 10%.

## Chapter 5: The Personal View

- [01:00:09] **Ajay Shah:** So, I will shift my views by 10%. I'll never shift my views by 100% compared to where you were, but I'll shift my views by 10%. So this is my theory of change today. And you know what, 10% is a lot.
- [01:00:24] **Ajay Shah:** Okay, so if we can persuade 10 people in our lives to the tune of 10% on a couple of important things, I say great. So that is my theory about how society changes. Society changes in one great conversation that generates a 10% updation for both sides at a time.
- [01:00:43] **Amit Varma:** So you know, right after this recording, I am going to ask you for 10 diet cokes. So you change your views by 10% and give me one. Isn't that cunning of me?

- [01:00:59] **Amit Varma:** So Ajay, I have another question for you. There is a sort of a famous quote that I love coming back to from Kashi Ka Assi by Kashinath Singh and I'll give the family friendly version of it here. Where he says, bhad me jaye duniya, hum bajaye harmonia.
- [01:01:12] **Amit Varma:** Right? And the essence of that is the world is going to hell, but I am going to play my harmonium. That is, I am going to do what is good for me. I am going to, you know, all the beautiful things that you speak of, art, beauty, creativity, cinema, literature. I'm going to indulge in all of it. I'm going to make sure I am prosperous. My loved ones have a good life.
- [01:01:31] **Amit Varma:** Why should I care about the world when progress cannot be taken for granted, when so much effort comes to naught? Why should I dedicate my life to something where, you know, you only have one life, which is a scarcity you can not do anything about.
- [01:01:45] **Amit Varma:** Now, one way of thinking about that is that people who are inclined to be like that, and I often am sometimes when I look at the state of the world, there's nothing you can say to

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