

AIADMK has perfected the art of funny money accounting: P.T.R. Palanivel Thiagarajan



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DMK IT wing head and legislator Palanivel Thiagarajan. | Photo Credit: [B. Jothi Ramalingam](#)

The numbers provided in the Budget are meaningless, says DMK's IT wing chief

The AIADMK government has presented a Budget without populist schemes. DMK IT wing head and legislator Palanivel Thiagarajan, a former banker, contends that populist schemes might come as part of the Chief Minister's announcements and why such announcements under Rule

110 in the Assembly are bad. In an interview with The Hindu on Sunday, he accuses the AIADMK government of managing the economy badly and also talks about his party affairs.

Excerpts:

Just a year before the 2021 Assembly polls, Deputy Chief Minister O. Panneerselvam in the last full Budget of this government did not announce any populist scheme. Do you think rising debts could be a reason?

They [The government] have already projected rather massive schemes and grants and subsidies year after year. Just because the Finance Minister has not announced populist schemes, doesn't mean they are not going to do it. I believe these numbers [provided in the Tamil Nadu Budget] are just meaningless numbers. The gap between what they said they will do in the Budget, what they said they have done in revised estimates and what they end up doing eventually is huge. Even between the revised estimate and the final account, there has been an increase. In the 2019-2020 Budget, they said they would have a revenue deficit of ₹14,000 crore in 2019-20, but in the revised estimate the figure went up to ₹25,000 crore. They have perfected the art of funny money accounting.

In the old days, Ministers did their respective jobs. But now, the Chief Minister has to announce all new schemes under Rule 110. I guarantee you that between now and Thursday next, the CM will make some announcements under Rule 110. This is bad not just for democracy, but also for administration. It is bad for administration because it concentrates power in one person. Bad for democracy, in the sense, what is the point of having a legislature and a Cabinet? So, I don't yet share your optimism that because of the large debt, they will not undertake irresponsible populist schemes.

The DMK aspires to come to power in 2021, and if that happens, how do you plan to handle the situation of the rising debt and manage the economy?

I am not senior enough in the party to make policy decisions. My leader will show us the way. But in my professional opinion, as a former banker, I think we have to consider some fundamental restructuring, because we have reached a point where the non-discretionary spending – pensions, salary, non-wage operational and maintenance expense and interest charges – has taken up almost 100% of the State's own revenue. That means there is no money left to do

anything discretionary. However, you cannot really cut any of the first three non-discretionary spending items, but you can cut down the fourth – interest charges. Total interest charges have escalated beyond all measures.

People who do not admit their problems, can't begin to fix them. I have been saying since 2016 that our State's biggest problem is that the revenue as a percentage on GSDP [Gross State Domestic Product] has dropped dramatically. It has dropped from 14.45% during "Thalaivar" Kalaignar [M. Karunanidhi]'s rule to 12.67% during "Ammaiyar's" [Jayalalithaa's] rule to 10.4% during this rule. There are certain expenses you cannot cut out — pensions, salaries, non-wage operational and maintenance and interest payments.

The AIADMK has revoked its decision to hold public exams for Class V and VIII. The Chief Minister has won praise for announcing that the Cauvery Delta would be declared as Protected Special Agriculture Zone. Some of your allies too welcomed it. Does the DMK have any issues to campaign against the government?

Just because they corrected their mistake [implementing public exams for Class V and VIII], doesn't mean we have the same ideology. The DMK is for the Special Agriculture Zone but we are asking as to how the government is going to implement it. There are several other issues on which the AIADMK is on the other side of us. Why didn't they get their alliance party [the BJP] to exempt Tamil Nadu from NEET? DMK wants more federalism, less interference from the Centre, less imposition of Hindi. We are against the CAA-NRC-NPR, we are against the new educational policy. But the AIADMK government doesn't seem to oppose any of these.

Founded in 1949, the DMK has been led by stalwarts, including C.N. Annadurai and M. Karunanidhi. Should a party as big as the DMK need external hand-holding by electoral strategist Prashant Kishor?

As a former consultant (for over a decade before I was a banker), it's a deeply personal question. I feel that many powerful people in the world engage specialists as and when required. I have been a consultant for several large multi-national corporates. Every person, who has a unique skill, can offer advice as long as they can add value to any organisation. Mr. Kishor has worked as a consultant for the BJP. Does it mean that he has shaped Mr. Modi's policies? Such a man should be seen as a professional, who comes in as an adviser for a specific subject such as

campaign strategy. Consultants work for different competitors in the same industry. The reason they are brought in as consultants is that they have a broader view than internal office-bearers. Mr. Kishor has now clearly developed a particular philosophy. He is pro-Constitution, against centralisation, against autocracy, against the CAA, the NRC and the NPC and pro-federalism. He has exited the JD (U) over the CAA.

Senior BJP leader L. Ganesan has alleged that the DMK is instigating the anti-CAA protests in Tamil Nadu. Your views...

I am appalled. It is morally reprehensible. I am a Hindu and I have faith. And I think a true Hindu would not thrust his belief on others and, in fact, would defend others' faith as his own. The BJP is doing politics by dividing people based on religion. I think that is vile and uncouth and in fact, 'un-Hindu'. My grandfather had the main idol in Sabarimala made by a 'sthapathi' in Swamimalai and donated it to the temple. The DMK, through its 'thiruppanis' while in government, has done more service to Hinduism than all Brahmins combined. I venture to say that I have done more for temples and Hindus' events than Mr. Ganesan and H. Raja combined.

Revenue Minister R.B. Udhayakumar has said only those without proper understanding of the CAA are protesting...

The CAA is not a complicated law. Union Home Minister Amit Shah had said "Aap chronology samajh lijiye" [You all please understand the chronology – to say that the CAB will come and then the NRC]. Either Mr. Udhayakumar is genuinely unaware of the CAA or he is playing petty politics. Let Mr. Udhayakumar print pamphlets over the CAA and carry out a campaign in support of the CAA or let him explain what Mr. Shah has said is not true, or will not happen.