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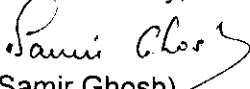
The Chief Reporter/ News Editor

Dear Sir,/ Madam,

We shall be highly obliged if you please circulate the following statement on “RBI – Government conflict” through your esteemed media.

Thanking you,

Yours faithfully,


(Samir Ghosh)
General Secretary

Text of the Press Statement

RBI Deputy Governor, Dr. Viral Acharya's sharp observations on October 26, 2018 in a Memorial Lecture in Mumbai about the Government's interventionist role vis-à-vis RBI has created a flutter across the nation. This is, however, not a sudden outburst, but was waiting to happen due to a long simmering discontent. He has compared the approaches of the two in a cricketing analogy with T-20 and Test Match. One is short term and the other a long term, the Government having a short tenure from election to election and so is prone to putting pressure on RBI to fall in line with its expediency, which RBI from a long term perspective might not and would not agree. Hence, there is an intrinsic schism and this is not regime specific. One remembers the well known duel between the then Finance Minister Sri P. Chidambaram and former RBI Governor, Dr. D. Subba Rao, when the latter commented in his parting speech that Sri Chidambaram had been so angry with RBI that he preferred to “walk alone without RBI”, but he would definitely think, “Thank God the Reserve Bank exists”.

However, the hiatus has widened now and Dr. Acharya has spoken more in disgust and despondency due to continuous nibbling by the Government and the Ministry of Finance. Even the RBI Board is being sought to be stuffed in a particular direction which would prompt the discerning people to look askance, and make it difficult for RBI to frame policies.

AIRBEA have many a times drawn the attention of the Parliamentarians, economists and the people to intervene and protect the autonomy and independence of RBI, which has got international recognition in saving our country's economy in perilous situations. Dr. Viral Acharya has drawn attention to several recent instances where the Government have sought to curtail RBI's role and cripple it, which the RBI could not accept.

We firmly hold that undermining the country's central bank is a recipe for disaster and the Government must desist. Let the two talk and sort out issues instead of the Government trying to ride roughshod over the RBI, what they are trying at the expense of the nation. We appeal to all right minded people and experts to speak out and persuade the Government to amend, and let RBI do its jobs in an unfettered way as per statutes, mandates, practices.