

CHAPTER 3

NEW YORK, 5 SEPTEMBER 2010

If purchasing power is any indicator of economic health, then the crowds thronging Manhattan's Fifth Avenue certainly do not indicate a limping global economy. It is the world's most expensive retail address and looks every bit its worth.

Bob and Priya amble along the street, lulled by the balmy weather and the heavy meal they have just consumed. Unlike her shopaholic friends, Priya loves to stroll around in one of the numerous parks or spend time pottering around any of the various museums, whenever she has time off. They walk past Bijan, the men's clothing boutique where a doorman ensures entry only for those who have an appointment and can afford the \$1,500 price tag for the dress shirts.

"Our investors range from formal financial institutions, the commercial market, right down to the poor woman in the village who raises cows."

Snatches of the TV interview echo in Bob's mind where the germ of a story idea has firmly implanted itself. He is already composing the brief he needs to shoot off to his

Where Angels Prey

editor. So caught up is he in his thoughts that he does not even hear the gruff voice calling out to him.

Priya suddenly clutches his arm, breaking his train of thought. She is not given to public displays of affection and hates even holding hands—a possible fallout of life in a patriarchal society where she was constantly chaperoned and on display. She hates drawing attention to herself.

He looks at her in surprise and then in the direction she points towards.

A nattily dressed, black-haired Indian man in his mid-thirties waves enthusiastically at Bob from across the street. He smiles broadly as he waves back in return.

“That’s Mayank Sharma, an acquaintance who works with James Jordin,” Bob says to Priya as he watches Mayank walk briskly towards them. His opening volleys always remind Bob of staccato gunshots. No wonder people in the west call Indian English “machine gun English”.

“Hey Bob, haven’t seen you around in a while! How have you been?”

Mayank shakes Bob’s hand enthusiastically, looking curiously at Priya from the corner of his eye. Every time an Indian man meets an Indian woman with a white male, there’s always an unhealthy need to define the relationship and establish boundaries. Sometimes, Priya wonders if she really is living in twenty-first-century America.

“I’m good, Mayank. Hope you’ve been well too. Meet Priya Jothi, a friend and Fulbright scholar at Columbia.”

Mayank looks impressed.

“Good to meet you, Priya. Bob may have mentioned, I am a senior consultant with a company called James Jordin.”

Ramesh S Arunachalam

Priya's polite smile leaves him unprepared for her smart-aleck response.

"Who doesn't know James Jordin, Mayank? You finance guys are constantly in the news these days for your role in triggering off the global economic collapse."

Although taken aback by her directness, Mayank does not let it show.

"Touché!"

He smiles at her before turning to Bob.

"Would you guys like to join me for coffee? Unless, of course, you have other plans..."

Bob shrugs.

"Not particularly. We were just out for a leisurely stroll. Coffee sounds good, as long as you promise not to mix arsenic in it!"

Mayank is surprised.

"And why would I do that?"

"Well, that was not exactly a flattering reference that I made to James Jordin in my last report!"

Mayank gives a shout of laughter.

"It's my day off. So you have nothing to worry about."

Bob turns to Priya.

"I hope you are up for coffee, Priya?"

"Would it be okay if I joined you guys in some time? I have a book I need to pick up."

"Sure thing. We'll be down at Café Sta."

Priya nods before hurrying away towards the bookstore across the street.



Where Angels Prey

The waiter has a pencil poised over his pad, ready to scribble down their order.

Bob quickly settles for a cappuccino but Mayank takes his time picking from the variety of exotic items listed on the menu.

“I am sure you crack deals quicker than this!”

Mayank’s eyes twinkle.

“That’s just my day job.”

Bob chuckles and goes back to drafting the note to his editor on his tablet.

“I’ll have a Mocha Java, thank you.”

The waiter nods his approval, making a note of his choice before he moves away.

“So what next, Bob?” “Mulling over a few ideas. You tell me, what’s brewing on Wall Street?”

Mayank gives him a dour look.

“Look elsewhere for your next scoop!”

Bob responds with a broad grin.

Mayank takes a peek at the menu again.

“Fancy splitting an apple pie?”

“No way. After an incredibly heavy lunch, Priya tempted me with my favourite butterscotch ice-cream for dessert.”

Mayank looks at Bob speculatively. Bob can almost hear the wheels in his head turning. He is not inclined to offer him any explanation though.

“Come on now, Mayank. You can surely give me some dope without going into specifics!”

Mayank shrugs.

“I’ve been travelling extensively for the last month or two. Hardly had my ears to the ground.”

Ramesh S Arunachalam

“Where did you go?”

“All over, actually. I’ve been handling the emerging markets division.”

“That sounds interesting. I assume you are talking about emerging investment opportunities. You should know all about the microfinance rage then?”

Mayank’s eyebrows shoot up.

“Tell me the truth. Was your question a coincidence or are you following up on a lead?”

Bob is curious now.

“What lead? I was just watching an interview with this chap, Prasad Kamineni on one of the networks. You must know of the guy, he was even featured in *Newsline*.”

Mayank looks at Bob wryly.

“Of course I do. But, more interestingly, I was part of the James Jordin team that put together a status paper on the microfinance sector.”

Bob shakes his head. “Shit man! Is this providence or what? Mayank, can you share that paper with me?”

Mayank nods. “I guess I can. I mean it is not classified information or anything.”

Just then, Priya walks towards their table, carrying a bag containing at least a half a dozen books. Bob promptly gets up and pulls her a chair.

“Kid-in-a-candy-shop syndrome?”

Bob smiles warmly as Priya gratefully drops down on to the chair.

“Yeah well, there was a sale!”

Mayank nods in understanding.

“No true blood Indian would miss out on a sale.”

Where Angels Prey

“Or American or French or English for that matter. Buying cheap is encoded in our collective DNA!”

Mayank guffaws at Priya’s observation.

“What will you have, Priya?”

Priya shakes her head. “Nothing, thanks. The bookstore is run by a friend. We just had a cup of tea together. Are you guys done catching up?”

Bob grins.

“Priya, Mayank met your *manavalu* last month!”

Mayank looks at Bob.

“What was that?”

“Oh that’s just Bob’s way of showing off his Telugu. I presume he is referring to someone from Andhra. Prasad Kamineni would be my guess.”

Mayank nods at Priya.

“Yes he is. So you’re from Andhra Pradesh too?”

Priya nods. Mayank turns to Bob.

“That is where much of the action is!”

Priya’s gaze shifts from Mayank to Bob.

“What action?”

“We were talking about the microfinance sector. They’ve gotten Wall Street excited and that is something.”

Priya looks at Mayank.

“Significant Wall Street investment in there?”

“Does a billion dollars in the last three years qualify as significant?”

Bob lets out a low whistle.

“So, has there been an exponential growth or is this a sudden spike that we are talking about?”

Ramesh S Arunachalam

“Definitely a spike. Till three years ago, the global market investment in microfinance stood at around 30 million dollars.”

“And India is the preferred destination?”

“Once again, I leave it to you to interpret the figures. In the last three-year period, global microfinance investment in India was around 860 million.”

“Very impressive! Correct me if I am wrong, but this is an industry that primarily serves the poor and the marginalized who have limited access to formal financial services. Why is Wall Street so fascinated with India’s poor?”

Priya’s smile barely hides the sharpness of her words.

“Wall Street obviously concerns itself with numbers, Priya. And India has half a billion poor who are in need of every kind of financial service, making it the world’s largest captive market.”

Bob nods at Mayank’s response.

“Makes sense. But what makes it even more intriguing is the boom period that you are referring to. I mean this more or less corresponds with the global economic crisis!”

“True. In fact our paper highlights April 2007 as a watershed, for that is when the first lot of social equity investors started getting interested in microfinance, and in India to be specific. Of course the commercial investors soon followed. The growth has been so significant that specialists have actually described microfinance as the preferred sub-sector within the financial sector for investment bankers.”

Priya shakes her head in amazement.

“I’m really intrigued now. I am no economist but I’ve read enough to know that equity investments in other

Where Angels Prey

sectors were less than encouraging during the years of the global financial crisis. Is it the huge numbers of poor alone that make it attractive?”

“Well, I wouldn’t discount the fact that Indian microfinance institutions offered better commercial returns than their peers in all other industries and also in all other countries.”

Bob makes a quick mental note to append that to his pitch. That should be enough to convince his editor!