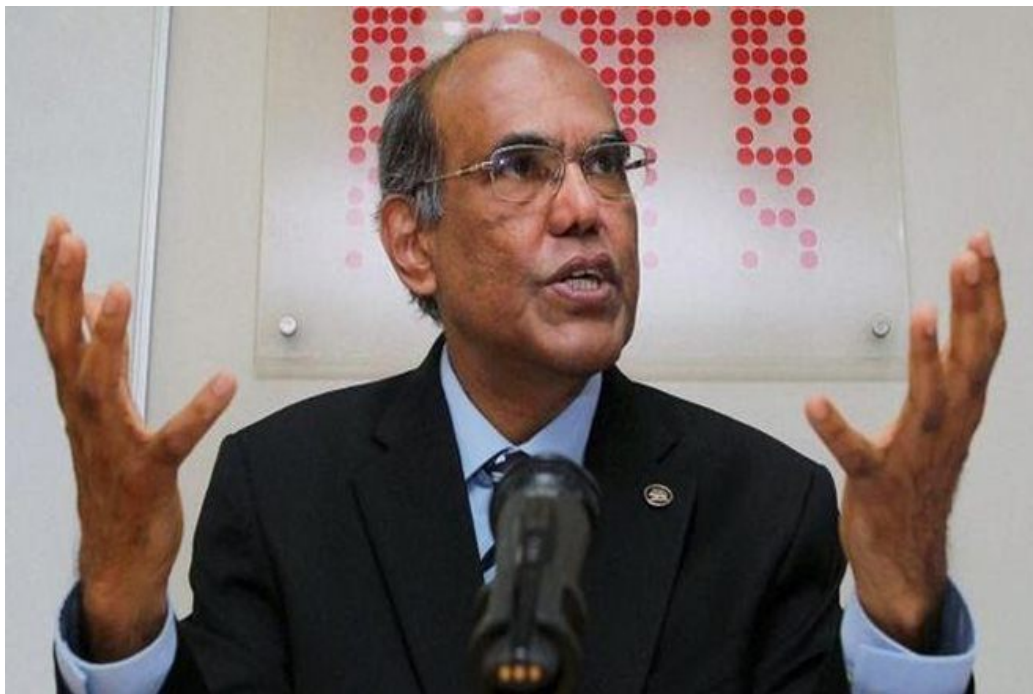


RBI governor will assert the bank's autonomy: D Subbarao

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Subbarao says the crisis began days after he assumed office and continued “in some form or the other” all through the five years without even a week’s respite (PTI)

In his book “Who moved my interest rate”, former Reserve Bank of India (RBI) governor Duvvuri Subbarao speaks of his tenure at the central bank during which he says he had much more than his share of interesting times. Subbarao says the crisis began days after he assumed office and continued “in some form or the other” all through the five years without even a week’s respite. On the occasion of the launch of the book, he spoke to FE. Edited excerpts:

It was generous of you to have allowed the incoming governor, [Raghuram Rajan](#), to announce the various measures to stem the fall of the rupee.

I don’t know whether it was an act of generosity or an act of pragmatism. I thought here was a new governor coming in with a positive reputation and I thought the measures would have a better chance of success if he announced them. Besides, if the market saw that the new

governor announced them, they would see him as having ownership of those measures.

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But several of these measures, like the swap for the banks, were being discussed for some time.

Yes, it is true that these measures were discussed in conversations and they were in the pipeline. But I wouldn't like to give the impression I'm trying taking away the credit from him. But it's certainly the case he asked me to announce them because I was still the governor, they were formulated while I was the governor. But I felt he should announce them for the reasons I indicated.

Do you believe that certain offices like those of the RBI

governor or the chief election commissioner or the CAG are so important that regardless of who heads it, the person will be independent because there's so much riding on them? So

even if a bureaucrat becomes the RBI governor, he will probably raise the same concerns that you raised whether it is about the fiscal deficit or supply constraints?

I think so, I think the RBI governor by the very nature of his position will assert the autonomy of the Reserve Bank and will raise issues that are standing in the way of delivering on the RBI's mandate.

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