

The **BLACK** Market Goes **GREEN**

The Nuts and Bolts of the Game (by Thomas Crowley)

Introduction

“The Black Market Goes Green” is an interactive game that has taken place twice to date (March 4 and March 25, 2012) in the Delhi Ridge. The game playfully re-creates the way that green spaces in Delhi get converted into developments like malls. It is based on the research I have conducted on the Delhi Ridge. Once a continuous, dense forest, the Ridge has undergone massive changes over the past few centuries, with both deforestation and reforestation efforts and the large-scale leveling of land. In 1994, four areas of the Ridge were designated as Reserved Forests, and thus received the highest level of government protection. Even with (or perhaps because of) its protected status, the Ridge has been the site of protracted legal, ecological, political and social struggles. For the game, I largely drew from the case of the Vasunt Kunj malls, a luxury shopping and office complex built on Ridge land (see Appendix 1 of this document). The two versions of the game both took place in what is officially known as “Master Plan Green Area Lado Sarai Phase II,” part of the protected Ridge area.

What follows is a detailed explanation of the game structure, and how it corresponds to the Vasant Kunj case. The first version of the game took place entirely in English. The initial idea for the game was mine, but its structure was developed in dialogue with various City as Studio participants, with significant contributions from Solly Benjamin, Ujjwal Utakarsh, Agat Sharma, Jyoti Dhar and Rashmi Munikempanna. Anuj Kamboj and Deepani Seth, though not part of CaS, played central roles in the game’s conception, preparation and execution. The second version was prepared with bilingual (Hindi/English) documents, and was organized by Deepani and me. In the explanation that follows, I describe the second version of the game, which is largely the same as the first, but with a few tweaks to reduce bottlenecks and to make the gameplay more intelligible.

The players of the game are put in the role of real estate developers.¹ They are told that the green area they are exploring is being divided into eight plots and developed into an eco-commerce complex. The players have to buy plots of land, and then begin to build malls and offices. They have to follow the labyrinthine path of getting the proper clearances, greasing the right wheels, and generally making clever use of both black and white money.² Throughout, they interact with moderators who play various roles (government officials, consultants, etc.). Since the point of the game is to explore the complexities and the many layers of real estate development in Delhi’s green spaces, the game itself is quite complicated. This document is an attempt to untangle the game’s web of processes and personae.

Objective of the game (for the players)

Make as much money as possible! Each team represents a real estate development company. At the end of the game, each team’s net worth is calculated as follows:

Value of Land + Amount of Black Money Remaining + Amount of White Money Remaining

Simply put, the company with the most money wins.

¹ Depending on the number of participants, either teams are formed or each individual acts as his/her own company. There should be about 11 companies, so the participants can be arranged accordingly.

² Each company is given ₹75 crore black money and ₹20 crore white money at the beginning of the game, as well as six ₹5 notes for buying chai. (The chai-wala, who played a more integral role in the first version of the game, was reduced to simply selling chai in version two. The first version of the game played on the fact that black money is often exchanged at chai stalls or coffee shops.)

The Moderators (roles explained below)

The Middlemen
The Agency
The Politician
The Consultant
The Bank
The EIA-wala
The Committee

Steps of the Game

The Middlemen introduce the game to the players and hand out the game materials: a map of the area, instructions, an auction document, black money and white money. The Middlemen make it clear that they will be around during the game to answer questions and help make deals (as long as they get their cut). The Middlemen then send the players off to complete the following tasks:

1) Collect banners.

For each plot, three banners (actually, saree falls) have been tied to trees in the park in which the game takes place. Each plot is represented by a particular color (marked on the map), so, for example, a brown banner corresponds to Plot 1, a light blue banner corresponds to Plot 2, etc. The banners give some tangibility to the idea of the plots.

The banners basically represent a company's power and influence. The more banners collected, the more powerful the company. Each company can only buy a plot of land if they have collected the corresponding banner, so the more banners in hand, the more options for buying plots. Also, a company with more banners has the option of acquiring companies with fewer banners. Companies also have the opportunity to share or trade banners.

2) Go to The Committee.

Once the teams have collected banners (there is a 20-minute time limit), they are instructed to get their environmental clearance from The Committee. They find The Committee closed. Sitting next to the blue "Closed" sign is a Middleman, who says, "Hmmm, yes, you know how these government offices work... But anyway, this clearance doesn't really matter. It's just red tape. What you really need for this kind of project is political backing. Here, let me introduce you to someone." The Middlemen then introduce companies to the Politician, who is hiding in the rocks.

In real life, the Committee is the Delhi Pollution Control Committee. In the Vasant Kunj case, when the Delhi Development Authority (DDA) initially announced the auction of the land, their notice read: "Purchasers would be required to obtain necessary clearance for the project from the Environment Pollution Prevention and Control Authority (EPPCA) and the Delhi Pollution Control Committee before submitting the plans for sanction to the Building Committee of the DDA." However, none of the seven companies who purchased land acquired clearances before construction began.

3) Find (and Bribe) The Politician.

With huge land deals like this, political patronage is key. By far the largest bribe is paid to The Politician. According to rumors (please don't quote me on this!), the real politician behind several mall deals is the son of Delhi Chief Minister Sheila Dikshit. In the game, The Politician represents a similarly high-level, shady political operative. The companies are guided to the Politician by the Middlemen, and either on their own or with the Middlemen's help, they negotiate the size of the bribe they need to give. The Politician guarantees that, if the company pays enough, they will get the plot they want, no questions asked.

Several companies may be bidding for the same plot, so reaching The Politician early is very important, as the first team to get The Politician's approval is essentially guaranteed a plot. Thus, the official auction process is hijacked by the negotiations between The Politician and the companies.

The bribe requested is roughly half of the reserve price (i.e. minimum bid price) of the plot. No company has enough money to pay the bribe for the biggest, most desirable plots of land; therefore, teams need to merge. The Middlemen help out with this. In real life, two sets of companies bid on plots together (ONGC joined up with ONGC Videsh, while Maruti Suzuki joined up with Jasmine Projects). On the other hand, DLF, India's largest real estate developer, used two separate subsidiaries to acquire two separate plots (what became Emporio and Promenade malls).

Once the bribe has been paid, The Politician gives the company a receipt, which must be brought to the Agency.

4) *Present your documents and get a plot from the Agency.*

The Agency – officially the Delirious Displacement Agency – is at the center of the game. The Agency announces the initial auction of the land, and much of the action of the game is routed through The Agency. It is a parody of the DDA, the real-life government body that promoted the Vasant Kunj malls and is generally in charge of Delhi's "development" in accordance with the Master Plan for the city.

Although the DDA was the public face of the Vasant Kunj malls project – and thus became an easy target for criticism – it is likely that larger political interests were the real backers of the project. DDA officials often face intense pressure from influential political figures, as well as corporate interests like DLF. Thus, in the game, The Agency collects only a relatively small bribe, and follows the instructions of The Politician. So, if a company presents the appropriate banner, the receipt from The Politician, and a small-ish bribe, The Agency awards the company the desired plot, saying, "Officially, there will be an auction, but I really like you, so I'm giving you the land in advance." The company then gets a letter telling them "Congratulations! You have land!" and instructing them on the next steps of the game.

5) *Get your land evaluated by The Consultant.*

The companies need to get a loan so that they can begin construction. As the game unfolds, players realize that black money is far more important than white money; black money is needed to bribe The Politician and The Agency, but white money – to pay The Agency legitimately for the land (in installments over a long period, such as 10 years) and to pay for construction – is relatively easily attained through bank loans once plots are awarded.

Before a loan is obtained, the value of the plot must be evaluated by The Consultant. The teams approach The Consultant, who stresses the importance of his job. Based on his supposedly independent evaluation, the market value of the plot will be determined. In real life, consultants often use grossly exaggerated figures to bump up the value of land, and thus the companies that own the land. In the game, The Consultant offers three options: Silver Service, which increases the value of the land by a factor of 10 (so if the reserve price for a plot is ₹100 crore, the market value is evaluated at ₹1000 crore); Gold Service, which multiplies the value by 15; and finally the Platinum Service, which multiplies the value by 25. The fee of The Consultant is 0.1% of the final assessed value of the plot as per the service chosen. The Consultant also helps the companies prepare their loan document, telling them the cost of construction, and explaining what they'll have to show the bank.

6) *Get a loan from The Bank.*

Once the evaluation is complete, the company brings the loan document to The Bank. The company must show The Bank that they have enough equity to take out a loan. In practical terms, this means they must show that they have 10% of the total costs (cost of land + cost of construction) *in white money*. If they can show this money to The Bank, their loan is approved. At this point in the game, players often realize that their white money actually does play some role. If the companies have spent their white money indiscriminately, they have a hard time getting a loan and have to re-evaluate their strategies.

The Bank also notes down the order in which loans are obtained. The companies that finish more quickly are rewarded by having a few crore added to the market value of their plot.

7) *Begin construction.*

Once the loan is approved, The Bank gives the company a balloon and a piece a string. To symbolize the beginning of construction, the company blows up the balloon and ties it to a tree. The company then reports to The Agency that building has begun.

8) *Get served with a lawsuit.*

The Agency gives the company a letter saying, “Oh no! You’ve been sued by The Environmentalists!”

9) *Get an Environmental Impact Assessment (EIA) from the EIA-wala.*

Now, because of the lawsuit, the companies finally have to get the environmental clearances they had ignored earlier in the game. The first step in this process is getting an EIA, which is a study of the ecological impact of the project. I created parody EIAs for each plot of land, based on real EIAs prepared for the Vasant Kunj malls case. Except for the table at the end of each parody EIA, I have copied the exact wording of the real EIAs in all their absurdity. The original EIAs read as spoofs of themselves, so my work as a satirist was easy – I only had to cut and paste. While tacitly admitting the immense resources needed to run the malls (400,000 liters a day for one of the DLF malls, for example), the real EIAs quickly go into greenwashing mode to promote the eco-friendliness of the new complex. For example, one EIA notes, “Paper waste shall be separately collected and given to an NGO specializing in collecting the same and recycling this waste into paper cups for use in the office.”

Playing on the absurdity of these reports, the EIA-wala in the game makes each company do a series of silly tasks. The EIA-wala is stationed in the midst of the park’s exercise equipment, so she asks people to do pull-ups and jumping jacks, or to bring her chai, or to dig holes in the ground. If the companies complete these tasks, the EIA-wala ensures that their new building will include plans for “green” measures like an Organic Food Canteen and the planting of trees around the construction site. The companies pay for their EIAs with white money, and then proceed to The Committee.

10) *Return to The Committee (now open) and get environmental clearance.*

This is largely a formality, but a necessary one, since clearances must be presented to the Supreme Court. Teams pay The Committee a very small bribe, and show their clearance to The Agency.

11) *Get a high-priced lawyer and bribe the Supreme Court judge.*

The Middlemen congratulate the companies on making this far and then advise the teams to choose their lawyer carefully, saying, “We have three varieties of lawyers: the Silver class, who charge ₹50 lakhs only; the Gold class (₹1 crore); and the best of the lot – the Platinum class – these are sure to win any court case, no matter how big. They charge ₹2 crores, but it is worth the cost.” The fees of the lawyer must be shared by all of the teams taking his/her services and

the payment must be made using white money. In real life, political heavyweight Arun Jaitley was the lawyer for the malls.

The middlemen then explain that, to ensure a winning case, it is necessary to give some money to the judges as well. “These are also of three classes: Silver (₹1 crore), Gold (₹2 crores) and Platinum (₹3 crore). The class of judge you select will determine the nature and intensity of penalty levied and the duration of the court case. So don’t be stingy and choose wisely.” The cost of the judge must also be shared and come from the companies’ black money reserves.

12) *Win!*

In the final step of the game, someone reads out the actual judgment from the Vasant Kunj case³ - the game and reality converge (see Appendix 2). According to the judgment, since construction has started, even though the project is highly suspect (both legally and ecologically), it should be allowed to continue. Every company must pay a ₹1 lakh fine.

In one sense, then, everyone’s a winner – at least, all the real estate developers are. But the moderators also calculate the net worth of each team, and the results are announced.

How it Played Out

Although the game is very tightly structured, there were plenty of surprises in both versions of the game. In the first version, players were eager to bend (and sometimes break) the rules; they saw the crux of the game as working the system, and played accordingly. One particularly enterprising team said they had discovered a ninth plot of land, and – with enough money and haggling – convinced The Politician and The Agency to develop this plot. Another clever team negotiated with the consultant to give a sky-high evaluation of their land (much higher than the maximum laid out in the rules) in exchange for equity in their company.

In the second version of the game, teams seem more concerned with figuring out the structure of the game and following the steps properly. There were still intense negotiations that went outside the bounds of the rules – the Consultant was offered a flat in a posh locality – but the focus of the game was on how to complete each step properly. Part of the appeal of a live, interactive game is its very malleability – each version will have different players and different moderators, and thus different attitudes, challenges, explorations and results.

Now the basic structure of the game is established, and all the necessary documents, signs, stamps, letters and so on have been prepared in both Hindi and English. The next challenge is to bring the game to a wider audience – perhaps actually playing it in the Vasant Kunj mall complex, or in the Northern Ridge, near Delhi University.

³ Actually, the text is from a report that was presented to the Supreme Court by the Expert Committee of the Ministry of Environment and Forests. Since the court accepted the recommendations of this report, it is a good summary of the court’s opinion.

Appendix 1: The Vasant Kunj Malls

One of the primary inspirations for “The Black Market Goes Green” is the case of the Vasant Kunj malls. The existence of these luxury malls is a testament to the power of real estate developers, government officials and well-connected lawyers, who fended off a concerted campaign by environmental activists, NGOs and other concerned groups.

I have taken many creative liberties in crafting “The Black Market Goes Green”; the Vasant Kunj case was only one of my reference points. I have also incorporated rumors, whisperings, accusations, and pure flights of fancy. To my knowledge, the Vasant Kunj malls case did not involve any pull-up bars.

But a basic summary of the Vasant Kunj case will illuminate some aspects of the game. In 1994, when the Delhi government named four areas of the Delhi Ridge as Reserved Forests, the Vasant Kunj Ridge was left off the map. Since then, the Delhi Development Authority (DDA) has been doing its best to “develop” this area. It first tried its luck with a 5-star hotel complex, which was found to be in violation of environmental regulations: the area, although not a Reserved Forest, was still part of the Ridge and thus protected. Through a bit of legal jujitsu, one hotel – the Grand Hyatt Hotel – still received permission to build, since it claimed that its part of the Ridge was actually outside of the area the DDA had originally planned to develop, and thus was not subject to the legal rulings forbidding construction.

In December 2003, the DDA took advantage of this loophole to auction off the area north of the Grand Hyatt. In the auction, the land was awarded to seven developers, two of which were subsidiaries of DLF, India’s largest real estate developer.⁴ None of the developers submitted environmental clearances, although this was required by the DDA. After several lawsuits, the companies were forced to submit environmental impact assessments. During this time, several sizable demonstrations were staged in protest, even as activists were muscled out of public hearings by *goondas*.

Throughout this process, two lawyers had prominent roles: the BJP stalwart Arun Jaitley, who at different times represented the DDA and the malls, and former Solicitor General Harish Salve, who represented the Grand Hyatt and the DDA, and served as an Amicus Curiae to the Supreme Court on several related cases.

In the end, the Supreme Court decided that, although the plot was clearly in violation of several regulations, the malls should be built, as construction had already started. The real estate developers were given a fine of ₹1 lakh. Meanwhile, the land they had purchased for about ₹1200 crore had reached a market value of ₹32,000 crore.

For a collection of press clippings about this case (and related cases), visit naturalheritagefirst.org/press.html

⁴ The other five were: Maruti Suzuki and Jasmine Projects, who purchased a plot together; ONCG and ONGC Videsh, who purchased a plot together; and Ambience.

Appendix 2: Excerpt from Report about Vasunt Kunj Malls (*Prepared by the Expert Committee of the Ministry of Environment and Forests, for the Supreme Court*)

“The project site has topographical features similar to that of the ridge. Various studies, including EIA documents submitted now for obtaining environmental clearance, establish the environmental value of this area, particularly as a zone of groundwater recharge. Therefore, DDA should have exercised adequate environmental precaution based on sustainable environmental management approach. There is no evidence that the environmental impact of the construction of malls was assessed before hand and that the development of this area for commercial activities is in accordance with the Master Plan... In hindsight it is evident that the location of large commercial complexes in this area was environmentally unsound. Now many proponents have constructed very substantially and really speaking awarding clearances even with conditions is largely a compromise with de-facto situation. The Expert Committee is of the opinion that at this stage only damage control is possible.”