

# Opinion

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## Rational Expectations

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## Modi's tactics work, now to get Azhar!

The Opposition ridiculed Modi for politicising soldiers' sacrifices, but he oversaw a perfect air strike & is now getting his pilot back

**K**ARNATAKA BJP CHIEF BS Yeddyurappa clearly goofed when he said that, after the Pakistan strike, prime minister Narendra Modi's popularity was so high, the party would win at least 22 of the state's 28 Lok Sabha seats, and it didn't help that the pictures of CRPF jawans—killed in the Pulwama attack by the Jaish-e-Mohammad (JeM)—formed the backdrop to Modi's address at Churu after the successful air-strike at JeM training camps in the heart of Pakistan. Even so, the Congress party's condemnation of Modi—along with 20 other Opposition parties—for “blatant politicisation of the sacrifices made by our armed forces” always looked churlish; coinciding with this Opposition onslaught, various WhatsApp videos surfaced of servicemen's wives asking Modi to, yes, not politicise the sacrifices of soldiers!

Apart from condemning the prime minister during a major crisis being in bad taste, the Opposition parties praising the Air Force for responding so well to the JeM attack, but criticising Modi, never made sense. How did they think the Air Force retaliated without Modi giving them the go-ahead, a go-ahead they never got after heinous Pakistani terror attacks during the UPA rule? The Opposition, however, got some traction since, after Pakistan retaliated, and captured Wing Commander Abhinandan Varthaman, many started wondering about where this would end; or, so, after Pakistan prime minister Imran Khan's statement about the possibility of the script spiralling out of control, and in a situation where both countries had nuclear weapons.

The Congress taunting Modi by asking him where Abhinandan was—and when he would come home—has been blunted by the Pakistanis announcing that they would be releasing him, but the more serious question the Opposition needs to answer is what did they want Modi to do since it is clear the old policy of ‘strategic restraint’ wasn't working. As many as 1,467 people were killed in terrorist violence across the country in 2014-17, and 2,703 in the four years before that; and keep in mind that the latest attacks include something as brazen as infiltrating into army and paramilitary camps such as in Handwara, Nagrota and Sunjuwan. So, if ‘strategic restraint’ didn't work, what was Modi to do?

In the event, Modi's instinctive reaction was to shake things up, but with meticulous planning. The operation to strike major JeM training camps with 250-300 terrorists in Balakot involved the use of aircraft from multiple bases, including a mid-flight refuelling aircraft and a surveillance drone, apart from 12 Mirage 2000s; as an added gift, an outdated MiG flown by Abhinandan also landed a more modern Pakistani F-16. By upping the ante so much—finance minister Arun Jaitley even spoke of India having the ability to carry out an Osama-type operation deep in the heart of Pakistan like the US did—Modi made it clear the costs for Pakistan would no longer be as minimal as in the past.

And, if the operation itself was executed so well, the diplomatic offensive prior to the strike, and after it, has been equally impressive. While China, which has traditionally backed Pakistan on JeM chief Masood Azhar, was forced to sign off on a UN Security Council (UNSC) statement condemning the attack, and the US/UK/France have made yet another attempt to get the UNSC to label Azhar a ‘global terrorist’; while China may, once again, scuttle the move, it says a lot that the pressure is being maintained by the global community; it is unlikely Abhinandan would have been released so soon without this global pressure.

US Secretary of State Michael Pompeo urged both countries to de-escalate but while under-scoring the “urgency of Pakistan taking meaningful action against terrorist groups operating on its soil”. And, after his summit with North Korea ended, president Trump reiterated the US position when, instead of condemning India, he said “We have reasonably attractive news from Pakistan and India” and that he hoped the hostilities would end soon; a few days before the strike, he had said India was planning “something very strong”, once again indicating it had US support. And while the Organisation of Islamic Cooperation (OIC) condemned India's strike, it has not withdrawn its invitation to foreign minister Sushma Swaraj at its next session, so much so that Pakistan—a founding member of the OIC—may boycott the meeting.

An Opposition so blinded by hatred for Modi, however, saw none of this, took no pride in what the country had achieved. While the Opposition's sniping, and, indeed, its attempt to scuttle the Rafale purchase despite the huge delays in procurement—even as the Air Force's fleet kept dwindling—suggest that it, and not Modi, is guilty of playing politics, India's real challenge begins now.

Getting Abhinandan back is undoubtedly a victory, but not one India had thought would be necessary since it may not have envisaged its pilot getting shot down in enemy territory. The real goal was to deal a crippling blow to Pakistan's terror infrastructure, if not eliminate it altogether. The fact that Pakistan is returning Abhinandan—as a “gesture of peace”—shows Modi's tactics have worked, and that Pakistan may take longer than it has in the past to return to waging its proxy war through terrorists. But the terror network is far from being dismantled, and it is not clear that, with Pakistan looking as if it is trying to dampen hostilities, the global community will allow India to continue to target JeM or other terrorist facilities. To that extent, returning Wing Commander Abhinandan is a masterstroke by the Pakistani military establishment, and Modi's challenge is to ensure he is able to sustain the momentum he has managed to achieve so far.

It is, of course, unfortunate that the Opposition is not with him in this endeavour, though that may change once the elections are over—right now, no one wants to concede anything since, at least till the Pakistani misadventure, most predicted the elections would be a lot closer than imagined in May 2014.

**Postscript:** Since WhatsApp forwards dominate the discourse nowadays, it is fitting to quote from one of them to end this column: “India: We've isolated Pakistan internationally. Pakistan: We've isolated Modi domestically with the help of 21 political parties”.

## Fuelling Pollution

Stricter emission norms key to reducing the health burden of vehicular pollution, as is incentivising disposal of old vehicles

**T**HE FATAL EFFECTS of vehicular emissions were always known, but a first-of-its-kind worldwide assessment of health impacts of transport emissions, conducted by US-based universities and entities should make the picture clearer. Air pollution is a leading health risk factor, and global transportation emissions in 2010 and 2015 contributed 361,000 and 385,000 PM2.5 and ozone-attributable premature deaths respectively, with 70% of these deaths occurring in the four largest vehicle markets—China, India, the EU, and the US.

There is, however, variation in trends amongst the four largest markets: From 2010 to 2015, transportation-related deaths declined by 14% and 16% in the EU and US due to improvement in emissions standards and fuel quality. But, they increased by 26% in China and India. Although stricter emission standards in countries like India have been instituted—India's Supreme Court refused to grant any relief to vehicle-makers in conforming with the BS-VI emission norms from April 1, 2020—the effects of these changes will likely take time to manifest. The new standards promise to bring PM levels emitted by diesel cars down by 80% as also reduce nitrogen oxides by 70%. Improvements in similar emission standard regulation has led to the global health risk from the transportation sector stabilising between 2010 and 2015 (11.7% of global PM2.5 and ozone mortality in 2010 and 11.4% in 2015), but further action needs to be undertaken, like improving access to public transportation, in order for emission-related transport deaths to reduce in the future.

● DRIVING JOBS GROWTH  
DIGITAL TECHNOLOGIES DRAMATICALLY ALTER THE COST-PRICE EQUATION OF SERVICES, LEADING TO THE CREATION OF A VIRTUOUS CYCLE OF GROWTH, COMPETITION, INVESTMENTS AND NEW JOBS

## Digitally-enabled mass services to be game changer

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digm was born and created hundreds of millions of new jobs.

Digital technologies have the same potential to transform the paradigm of economic growth and jobs through mass services, and India is well positioned to lead this paradigm shift as England, the US and China had done earlier. Like mass manufacturing technologies, digital technologies dramatically alter the cost-price equation of services which can lead

to the creation of a virtuous cycle of growth, competition, investments and new jobs, as we saw in the manufacturing sector. Digital technology does this in four different ways. First, it drives productivity. For example, large asset managers, by leveraging the digital technology stack, have reduced customer acquisition and operations costs by 10-100 times. Secondly, it has the unique characteristic of allowing ‘fractionalisation’ or in consumer vocabulary, ‘sachetisation’, i.e., breaking down the service into small consumption offers. The third is its unique characteristic to allow integration of physical and digital assets and processes to drive down price, induce consumption and grow the market, e.g., taxi aggregators or e-commerce. Finally, the digital and digitally-enabled businesses also spur innovation by entrepreneurs to find new value creation opportunities through the exploitation of the power of data and analytics across the value chains.

Three pieces of the jigsaw puzzle have to come together to make this happen. The first is the huge unmet demand for services and a decent starting position in service sectors. India has both, with services being the largest part of its economy, unlike other developing countries, but still with huge unmet demand existing across sectors, especially health, education, financial services, logistics and transportation, government and municipal services, tourism, and agricultural services. The second piece of the puzzle is the need for a world-class public digital infrastructure as the backbone of mass service sectors, as high quality public physical infrastructure like roads, ports, and airports was the backbone of the mass manufacturing industry. India has a world-leading starting position on this front with its digital stack consisting of Jan Dhan (banking for all), Aadhaar (digital identifier for all), and mobile connectivity, and public applications like e-KYC (for e-authentication), digi-locker (for digital storage), e-signature (digital signature recognition), BHIM (a national payments gateway). Together, they constitute a comprehensive digital architecture which offers open APIs as public infrastructure which private and public enterprises can integrate into their digital platforms to transform the cost-price equations of a wide range of services. The final one, and this is perhaps the most challenging part of the puzzle, is a facilitating regulatory regime that liberalises the services sector, encourages competition, and allows more efficient markets to develop.

In addition to these, we need policy interventions in several key areas. The first is setting standards for data flows which are the backbone of any service offering—in terms of both interoperability and privacy. Secondly, a regulator is required which has the technical skills and understanding to develop and regulate the revenue sharing arrangements between partners in the digital ecosystem to create an efficient market. Finally, a public policy case can be made for creating societal digital platforms for all public goods like education and health and which are offered for free for the development of business solutions by entrepreneurs. GSTN can be one such powerful public digital platform which, of course with necessary privacy protections in place, can help entrepreneurs develop truly innovative financial products which can, for example, solve the huge challenge of funding faced by small enterprises.

**A case can be made for creating societal digital platforms for free for the development of business solutions by entrepreneurs**

**Hardline tactics like the air-strike that was followed by a diplomatic offensive made Pakistan blink. The real challenge now is to dismantle the JeM-ISI terror network. Once the war-threat is over, pressuring Pakistan won't be as easy**

## Give Trump's trade deal a chance

If president Trump wants to put his name on a big, splashy agreement that ultimately just returns things to the status quo, let him have it. It is certainly better than tilting at windmills around Beijing's industrial policy

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**YOU KNOW THAT** trade breakthrough we were all talking about a few days ago? It is not looking so close. Just three days after president Donald Trump reported “substantial progress” in talks with China, the man doing most of the talking was out pouring cold water. “Much still needs to be done”, US trade negotiator Robert Lighthizer told Congress Wednesday, and it is still in doubt whether the two sides can come to terms. Lighthizer's refusal to bend in pursuit of a deal is admirable in its way. As we argued earlier this week, the US companies that have suffered weaker demand and higher costs from the past year's trade war are unlikely to welcome a final agreement based on no more than commitments to buy more farm produce and hydrocarbons.

At the same time, perhaps he has something to learn from the Trump administration's approach to North Korea. Negotiators from Washington are no longer demanding Pyongyang make a full accounting of its nuclear programs, NBC News reported Thursday citing current and former senior US officials. That flexibility looks alarming in a nuclear-proliferation context. On trade, however, a Trumpian deal may be just what the world needs. Consider the previous trade pacts agreed by this administration, with Mexico, Canada and South Korea. In contrast to the ambition of the North American Free Trade Agreement or Trans-Pacific Partnership, each is essentially a modest adjustment to existing policies. China is a whole different ball game, as Lighthizer told the House of Representatives:

What the president wants is an agreement that, number one, is

enforceable—but that changes the pattern of practice of forced technology transfer, intellectual property protection, large industrial policy subsidies; and then a whole variety of specific impediments to trade, and unfair practices in the area of agriculture, in the area of services. What we want is fair trade. That requires structural change, and it has to be enforceable.”

Removal of forced technology transfers in manufacturing is a possibility that Premier Li Keqiang has raised and intellectual property reform is a pet project of president Xi Jinping, so movement on those areas ought to be quite achievable with the right combination of carrots and sticks. Even agriculture has potential, given China's need to feed its growing population as cheaply as possible. The problems come with the other asks: industrial policy, services and enforceability.

There is no sign that China is rushing to reform the state's role in the economy—quite the opposite. Bailouts of distressed debt seem overwhelmingly directed at state companies in strategic sectors, with local governments taking up the lion's share of the dwindling supply of cash.

Removing impediments to services investment, meanwhile, opens an immense can of worms. Some areas, such as retail and hotels, are already reasonably accessible to foreign companies, while finance is being gradually liberalised. Perhaps there is a chance to crack the door ajar on aviation and logistics too, although it is hard to see much of an opportunity for American businesses there.

Beyond that, though, it is all but impossible to imagine the current

Chinese government loosening foreign investment rules in closed sectors such as government services, healthcare and education—not to mention the media, information and technology industries where Beijing sees control as an existential issue. The same goes for enforceability. A deal that compels performance is essentially one where punitive tariffs aren't removed until there is proof that China is upholding its side of the agreement, or at the very least, are kept suspended and ready to be reimposed at any moment. That is hardly going to inspire confidence that the current trade tensions are buried.

Lighthizer's list of asks is a worthwhile one, and a China that reformed in the way he is pushing would probably be better both for its people and for the global economy. But if Beijing is set on resisting those changes, the trade negotiator is banging his head against a wall, and in the meantime, the tensions risk sucking about 0.4 percentage points from long-term global GDP, according to the IMF. If president Trump wants to put his name on a big, splashy agreement that ultimately just returns things to the status quo, let him have it. It is certainly better than tilting at windmills around Beijing's industrial policy, or hoping to get a black-letter agreement to end industrial espionage that China doesn't even admit is happening.

To quote Trump: The Art of the Deal, “I also protect myself by being flexible. I never get too attached to one deal or one approach”. Lighthizer could do worse than follow one of his boss's oldest pieces of advice.

*This column does not necessarily reflect the opinion of the editorial board or Bloomberg LP and its owners.*

## LETTERS TO THE EDITOR

### IAF pilot's release

The promise of Pakistani PM Imran Khan in the Pakistani Parliament that IAF pilot Abhinandan Varthaman, taken captive by the Pakistani army, would be released on Friday without insisting on using him as a bargaining chip came as happy news. By this single act of statesmanship and magnanimity, it has come to be applauded as an act of strength and not weakness. It will go a long way towards repairing the damage done to the India-Pakistan relations since the Pulwama attack. It will open up the possibilities of talks being held for the normalisation of relations. The safe release of the pilot that is to take place in the next 24 hours is good for the cause of peace. It must be followed up with more similar measures to build trust and good neighbourliness  
— G David Milton, Maruthancode

### Tightening its hold

Unlike Reliance, well into the process of maximising the benefits of a technology breakthrough, sectoral laggards have resorted to defensive measures in order to preserve ARPU and are seemingly compelled to form a strategic collaboration in order to establish a high-speed fibre-optic network. The company is backed by sound financials and promises a soaring future growth, on account of improving margins in refinery, a widening user-base in the telecom space and increased proliferation of petro-products. Cost efficiency, coupled with a high risk-appetite, has allowed the enterprise to set higher benchmarks and create potential entry barriers for competitors. Further, a good mix of concentration and penetration strategies, besides regular initiatives to diversify, works well for Reliance  
— G David Milton, Maruthancode

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# The jobless growth narrative is a myth

According to our analysis, about 24 million non-agriculture jobs have been created in the three years between 2016-17 and 2018-19— an average of 8 million per year. The construction sector has benefited from the government's push towards infrastructure creation. The services sector added 12 million jobs in these three years. This indicates enough jobs are being created for new entrants to the labour market

**T**HE EXTENT of job creation in India has always been subject to debate. At present, the narrative being touted by some is that India's growth, over past 4-5 years, has been of 'jobless growth'. The assertion here is that no new jobs have been created in India over the past five years. The piecemeal leak of the Periodic Labour Force Survey (PLFS) report has added fuel to this fire. The Centre for Monitoring Indian Economy (CMIE), through its surveys, has been painting a picture of rising unemployment as well.

The assertion and arguments for jobless growth defy common sense, with the economy growing at 7%+ plus. We also know that the investment activity has been subdued, with the investment-to-GDP ratio (at current prices) staying flat at 28.7% in 2015-16 to 28.6% in 2017-18. Moreover, the growth of non-food bank credit offtake has also plummeted

in the recent years. Therefore, an argument for jobless growth would imply that entirety of India's growth is driven by a rise in total factor productivity, for which no empirical evidence has been provided by any of the claimants.

One also needs to understand the dif-

### Sector-wise job creation

Sector	2016-17	2017-18	2018-19
Mining & quarrying	0.06	0.03	0.04
Manufacturing	0.77	0.58	0.77
Electricity, gas & water	0.02	0.02	0.02
Construction	3.5	3.4	2.76
Trade, hotels, transport, communication and services related to broadcasting	1.79	2.08	1.75
Financial, real estate & professional services	1.71	1.27	1.01
Public administration, defence & other services	0.75	0.99	0.73
Additional non-agriculture jobs created	8.6	8.37	7.06

**T**HE MEDIA ATTENTION has been focused, over the last few weeks, on the sharp decline in the female labour force participation rate (FLFPR) in India—from 31.2% in 2011-12 to 23.3% in 2017-18—and the fall has been used to explain the contraction in the country's workforce. Although the FLFPR numbers thrown up by the private sector CMIE's household survey are much lower at 11.7% for 2017-18, its MD and CEO Mahesh Vyas explains the fall in overall labour force participation rates (LFPR) as a result of demonetisation when economic activity across the country collapsed.

The reason for a falling FLFPR is not demonetisation alone. FLFPR fell from 42.7% in 2004-05 to 31.2% in 2011-12, a fall that is almost as sharp as the fall from 2011-12 to 2017-18. If demonetisation caused the second fall, a list of other significant determinants of the monotonic and persistent fall in FLFPR need an urgent attention of policymakers.

Rethinking fiscal policy as "employer of last resort," India designed a rights-based job guarantee programme for 100 days—Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). Why ensuring job cards to women have not effectively translated into rise in employment? Are there any complementary fiscal services needed other than just employment policies to get women in workforce? What constraints women from entering the labour force even when 100 days of jobs are guaranteed by the govern-

# Falling FLFPR is not new, but is critical

Fewer women working is a big problem but if DeMo is cited as the reason for this, how do you explain an equally sharp fall in FLFPR over long periods in the past?

## LEKHA CHAKRABORTY & NAMITA JAIN

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ment? A study by NIPFP (Chakraborty and Singh, 2018; <https://goo.gl/nRhaRG>) revealed a new empirical perspective to the existing literature on FLFPR that the "care economy" burden of women (spending time on fetching of clean water, fuel collection, domestic chores) is one of the important determinants of FLFPR; and their "time poverty" can affect "income poverty" as the time burden of women in domestic chores hinder them from entering the workforce. The NIPFP study also found that joblessness among the poor who do not have MGNREGA job cards was severe than those having job cards. Another recent study by Ashwini Deshpande and Naila Kabber of the London School of Economics, presented at the UN

University (UNU-WIDER, Helsinki) on February 20, 2019, in the context of West Bengal, also argued for a shift in focus of analysis of low FLFPR in India from "religious conservatism" to labour demand constraints (lack of jobs in India), as well as specific labour supply constraints such as the burden of housework or domestic chores. This has significant policy implications, to design comprehensive "care economy" infrastructure policies in India. Indeed, the decline in FLFPR is despite strong initiatives for "specifically targeted programmes" for women's socio-economic empowerment taken by successive governments, as provided in the "Gender Budgeting" Statements in Expenditure Budget (Volume 1) every year, including

employment elasticities. This, in turn, allows us to determine the extent of job creation, by sector, given the sectoral growth rate. Our sample runs from 1993-94 to 2015-16. Labour force data has been taken from the International Labour Organisation (ILO). A review of literature reveals that the estimated elasticities are similar to those estimated by other studies, using the same dataset. The estimates are also close to the elasticities provided in the 12th Five Year Plan, despite using a different dataset. Therefore, we can be reasonably assured of the robustness of these estimates.

With the KLEMS database providing data until 2015-16, it is possible to project employment generated using the estimated elasticities and the sectoral growth rates, as provided by the Central Statistics Office (CSO). Therefore, implied employment growth has been calculated for the years 2016-17, 2017-18 and 2018-19. To get a sense of labour exit from agriculture, it has been assumed that agricultural labour decreased by 2% per annum, the same rate of decline witnessed between the two thick National Sample Survey (NSS) rounds on employment in 2004-05 and 2011-12.

According to our analysis, approximately 24 million non-agriculture jobs have been created in the three years between 2016-17 and 2018-19. This is an average of 8 million per year. Clearly, the jobless growth narrative is, indeed, a myth. The construction sector, with the highest elasticity, has benefited from the current government's push towards infrastructure creation. The services sector has added about 12 million jobs in these three years as well. This indicates that enough jobs are being created for new entrants to the labour market.

However, this is not to say that India's job is done. In fact, 43% of our population is still employed in the agriculture sector. We need to further accelerate growth so that the labour force flowing out from agriculture finds formal, well-paying jobs. This is perhaps our biggest challenge. Blue-collar jobs, in and around agriculture—food processing, transport, aggregation, mechanisation—are potential areas that can absorb the labour force exiting agriculture. Apprenticeships need to be expanded as well. Reforms in labour laws are still needed. NITI Aayog's *Strategy for New India @ 75* contains several recommendations in this regard. Codification of labour laws needs to be completed at the earliest. The National Policy on Domestic Workers needs to be operationalised. Common facilities for MSMEs in labour-intensive sectors should be pursued as well. India also needs to prepare its labour force in new and emerging technologies, colloquially known as Industry 4.0. These reforms, amongst the others suggested in *Strategy for New India @ 75*, should ensure that India creates an adequate number of jobs, both for labour exiting agriculture and new entrants to the labour force.

## TOKENISATION

# A safer way to transact online

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It is a process in which sensitive card information is replaced with a randomly generated unique token or symbol

**T**HE INDIAN ECONOMY has traditionally been dominated by cash. However, the increased adoption of smartphones together with a favourable regulatory environment are pushing the economy to a less cash-dependent state, and promoting the usage of digital payments. There has been a rapid growth trajectory as India moves to a less cash-dependent state. The value, and volume, of online transactions more than doubled in the last year alone.

Increased adoption of the new mode of online payments increases the need of measures to mitigate cyber risk. Globally as well, cybersecurity is a top focus. Keeping this in mind, regulators have increased their focus to ensure a safe and secure environment to promote a cashless economy and further the vision of digitalisation for all. In this scenario, the recent announcement on extending permissions for tokenisation of debit, credit and prepaid card transactions to multiple use-cases/channels enhances the safety of the digital payments ecosystem, and is a welcome move that will be highly beneficial to address the safety concerns of payment channels. The in-app payment landscape would be the greatest beneficiary of this move, as a majority of the mobile app providers stored card details to facilitate e-commerce, and were susceptible to hacks and data loss.

Tokenisation is a highly-secure method of protecting card credentials. It is a process in which sensitive card information is replaced with a randomly generated unique token or symbol. These tokens would ensure that sensitive card data is not transmitted or stored in an unsecure format. The data-centric security approach focuses on substituting the

sensitive data with a non-sensitive equivalent that is meaningless or has no value to those who are trying to source the data. The primary advantage of tokenisation is security, and over time it can be integrated with other technologies. Once the transaction goes through, the payment processor sends a confirmation back to the merchant with the randomly generated token identity, which is stored in place of the card data in their system. At no point does card data ever get stored within the retailer's environment. Further, tokenisation can be the answer to securing not

just payments, but other aspects of commerce as well, including the transmission and storage of electronic health records and age verification identity checks, among others.

IT has evolved to become integral with business needs. In order to make sure that the technology is impactful, the platform needs to imbibe a forward-looking enterprise-level architecture, and inventory of technologies against changing cyber threats. There is a need to develop a common vision and an agreement of strategy for focusing efforts since these elements cannot be adopted in a silo. Instead, they have to be deliberately ingrained deeply into the core enterprise architectural fabric, which, in turn, must be driven by a lean, agile and dynamic operating model. Also, interoperability (i.e. transactions between different service providers), similar to that available with digital wallets, needs to be worked on for tokenisation as well, to make it equally attractive and convenient—so that the technology is established and is accepted at all points of sale terminals.

In a majority of the cases, new-age channels and offerings have been layered onto an ageing core infrastructure, which has severely limited their ability to integrate seamlessly and respond to the changing business demands. The most effective way to do this is through understanding operational processes, needs and goals of the business. The tokenisation methodology is modular in nature, and depending on the nature of the risks and risk appetite, applicable requirements and regulations, budget, and timelines, one can prioritise specific phases and activities to meet the data security needs. This ensures that while offering convenience and various payment avenues, the information is safe and not compromised.



the emerging economies.

Also, from an economic growth perspective, a more logical answer for the fall is what is called the "Feminisation U" (Fem-U). An ILO paper by Sher Verick (<https://goo.gl/tvL8AU>) studied 2018 data for 172 countries to study the Fem-U and found evidence of a U-shaped relationship between FLFPR and GDP per capita. The hypothesis that growth lowers female participation rates in the early stages of development and increases it at later stages may actually apply in a broad sense to India, though it has far lower participation rates at the same income level compared to most countries on the curve. However, Fem-U is an empirical question, which needs further research in India.

That India will benefit from moving up the second leg of the Fem-U is obvious given what it does to income levels across the country. According to the ILO, global LFPR for women was close to 49% in 2018 as compared to 75% for men. Reducing the gender gap in South Asia alone by 2025, the ILO estimates, can lead to a 7.2% increase in GDP for the region.

If the fastest and smartest way to increase economic growth is to increase FLFPR, investing in comprehensive "care economy" public infrastructure in India is crucial. It is high time the macroeconomic policymakers realise the significance of integrating "gender lens" in job creation, with explicit "care economy" public infrastructure policies—both physical and social infrastructure—to make the high growth sustainable in the long run.