

Modi's work rule

Work from home can be effective only if employees know that it is a privilege, and not a right



HUMAN FACTOR

SHYAMAL MAJUMDAR

Prime Minister Narendra Modi has advised his colleagues in the Union Council of Ministers that they should “reach office on time and avoid working from home to set an example for others”. The advice should-n't have come as a surprise to the min-

isters, as Modi is known to be a hard task master — he had asked his colleagues to work 18 hours a day in his first meeting after taking over as prime minister in 2014.

Modi has given elaborate reasons why he is not in favour of working from home. He wants senior ministers to hand-hold the new incumbents — for ensuring faster approval on files, both the cabinet minister and his junior colleague should sit together to clear proposals etc — this would not be possible in a work from home situation.

Modi's advice may sound totally out of place in a world where virtual working is an accepted way of life and employees value it as a way to maintain work-life balance. One doesn't know how his ministers are viewing it, but the Prime Minister might find some backers in the corporate world. At least two of the world's largest companies

have moved away from it because of the perceived negative effects. Many managements have misgivings about allowing work from home on a wide scale because of the behaviour of quite a few employees who have interpreted it as “shirk-from-home”.

These companies give the example of Massachusetts Institute of Technology Professor Thomas Allen who has showed that if people are more than 150 feet apart, the probability that they will communicate frequently plummets. This shows that no amount of Skype or dirt cheap broadband services can compensate for the need to meet physically.

Research also shows working from home is not good for team cohesion and innovation. In 2013, former Yahoo chief executive Marissa Mayer banned working from home, saying that in order “to become the absolute best

place to work, communication and collaboration will be important, so we need to be working side-by-side”. That is why, she said, “it was critical that we are all present in our offices”.

While there are enough counters to what Mayer said, the fact is face-to-face interaction is essential for identifying opportunities for collaboration, innovation and developing relationships and networks.

Mayer was roundly criticised for her decision. What seems to have rankled everybody the most is how an ex-Google staffer (Mayer was earlier vice-president at Google and worked there for over a decade) could take such blatantly unfriendly employee policies. But some of that criticism was blunted when barely days after her policy came to light, one of Google's top executives said in a talk show that “magical moments” at work could not be created in isolation. Even Google makes sure that as few as possible employees get the option to telecommute as many felt so isolated they changed their minds about wanting to do it all the time.

IBM, a company which embraced work for decades, cancelled its work from home policy in 2017 when it

decided to “co-locate” the US marketing department, about 2,600 people, to make all teams work together, “shoulder to shoulder”. This meant employees who worked primarily from home would be required to commute.

In defence of its move, IBM had said its goal was to make the company more agile where “the leaders have to be with the squads and the squads have to be in a location”. The move had surprised many as IBM was one of the early adopters of remote work. As of 2009, when remote work was still a fashion, 40 per cent of IBM's 386,000 global employees were working at home.

Overall, work from home obviously has its positive sides as it cuts commuting times and associated fatigue, etc. It's nobody's case that work from home is a bad idea and everyone will now kill it off. Far from it, as it leads to higher levels of job satisfaction and is often a small price to pay for keeping the best talent on your payroll. But it would succeed only if everyone concerned agree that it is a privilege, and not a right. And if managements think that employees are misusing the privilege, they are well within their rights to take that privilege away.

CHINESE WHISPERS

Bad news, good news



There are unlikely beneficiaries of the driest summer Chennai is facing in many years. With little rain expected in June and July, some schools have announced extended holidays, while many private ones have deployed water tankers. Students of government schools are not so lucky and are grappling with dry taps and water coolers. Many IT firms have asked their employees to work from home as organising water has become a challenge. While the state government has sought ₹5,398 crore from the Centre, any form of relief will likely take time.

Questioning Kamal Nath

An official statement of the Madhya Pradesh government saying the state had cleared six investment proposals worth ₹4,000 crore in a week has opened a Pandora's box. RTI activist Ajay Dubey, who was appointed Congress RTI cell chief before the Assembly elections but who resigned later, has put up a post on his Facebook page, asking the chief minister to furnish the details of the investment committed to the state since his visit to Davos in January this year. Nath took part in the World Economic Forum summit, where he met a number of industrialists and, upon his return, had spoken of mammoth investment in the pipeline. In his post, Dubey wondered if those investments would materialise; he also released a letter signed by Vivek Porwal, managing director, MP Industrial Development Cooperation, addressed to various departments, seeking an “update on the progress of discussions undertaken by them with key industrialists” in Davos.

Time for new governors

Nine governors are set to retire in the next three months after they complete their five-year terms. These include the current occupants of the Raj Bhavan in Karnataka, Uttar Pradesh, and West Bengal. In addition, there are vacancies in Chhattisgarh and Mizoram while Andhra Pradesh and Telangana have the same governor. Some incumbents may be re-appointed. However, there is speculation that some senior Bharatiya Janata Party (BJP) leaders — such as Sushma Swaraj, Uma Bharti and Sumitra Mahajan — could get gubernatorial assignments. None of the three contested the Lok Sabha election. Swaraj's name was speculated as Andhra governor after Union Health Minister Harsh Vardhan congratulated her on Twitter on the “appointment”. He deleted the tweet later. Andhra Pradesh and Telangana Governor E S L Narasimhan is currently the only Raj Bhavan occupant from the UPA era.

The infrastructure action agenda

These 10 priorities could shape a new Bharat



INFRA TALK

VINAYAK CHATTERJEE

Among the many issues to be tackled in the infrastructure sector, the new government would do well to prioritise these 10 specific initiatives:

- State assets monetisation and recycling: Public expenditure will continue its dominant position as the key driver for infrastructure investments, and thereby also the pump-primer of the economy. The available fiscal headroom for the purpose is severely constrained. Headroom has to be augmented by releasing the moneys locked-up in state-owned operating utilities — both at the central and state levels. There is demonstrated appetite amongst foreign institutional investors to invest in these long-term annuity assets. However, the proceeds should not be mixed up with the Consolidated Fund of India, but ring-fenced in a separate National Infra Development Fund.
- Reviving PPP-plug and play: Public expenditure alone will not be able to meet the aspirational target of ₹1 trillion of infra investments by 2024 as espoused in the BJP manifesto. Private

capital has to be welcomed back urgently, and no better way than plug and play. Here, a 100 per cent government-owned SPV (special purpose vehicle) is created which secures all permissions, licences, and clearances as well as undertakes land acquisition. The SPV is then bid out to private developers. This is possibly the most appropriate risk-allocation format and also gets the highest bids for the State. Over and above this, the recommendations of the Kelkar Committee Report on Reviving PPP need to be acted upon.

■ *Nal se jal* (water from tap): This is the most dramatic promise to the *aam aadmi* in the BJP manifesto. *Nal se jal* seeks to provide piped water supply to every household in the country by 2024. Implemented in full measure, it will change the lives of millions of Indians — particularly women folk. Coming as it does, after the fast-paced implementation of the “Saubhagya” scheme (electricity connection for all households), huge expectations have been raised. It could even emerge as a huge electoral booster in 2024.

■ National Power Procurement and Distribution Company: Post UDAY outcomes, the case for a National Power Procurement and Distribution Company (NPPDC) is even more compelling. India needs a NPPDC as it will not only act as an effective counter and challenger to the drag of discoms but also create a national price-point for power purchases and tariffs. NPPDC should be in a position to guarantee regular off-take for stranded capacities, make payments in time and overall provide a confident anchorage towards market-making in the fragmented power sector.

■ River linking: Former president,



Abdul Kalam, in his address to the nation on August 14, 2002, endorsed the vision and urged action. Besides the solution to floods and droughts, the idea has impactful outcomes like irrigation of 34 million hectares of land, potable water for rural and urban areas, 34,000-MW hydel power generation, inland navigation, and massive employment generation. In 2003, the government set up a high-powered task force, which on September 9, 2003, submitted its report and estimated that the cost of interlinking rivers would be upwards of ₹5.6 trillion; probably, upwards of ₹10 trillion by now.

■ Completing bullet train by 2024: Prime Ministers Narendra Modi and Shinzo Abe laid the foundation stone of the Mumbai-Ahmedabad bullet train on September 14, 2017. India works on the demonstration effect — think of

Delhi Metro and Delhi/Mumbai airports. The timely completion of the project will dramatically change perceptions of rail travel — be it speed, service, comfort or safety and will cascade into demands for a new generation of rail travel across the country.

■ Implement coastal economic zones (CEZs): This was one of the impactful ideas propagated by Arvind Panagariya when he was heading NITI Aayog. The proposed CEZs are to be targeted to labour-intensive and export-oriented industries like clothing, footwear, electronics, light engineering, leather etc. The Ministry of Shipping has identified 14 CEZs along the coastline under the National Perspective Plan of the Sagarmala programme. With a facilitative regime, these could transform India's export competitiveness.

■ UMTA (Unified Metropolitan

Transport Authority): Indian cities need to put commuters at the centre of transportation decision-making. UMTA is an inescapable and urgent precondition. In August 2017, the Union cabinet cleared the new Metro Rail Policy wherein if a city wants central assistance for its metro rail projects, its state government will have to commit to setting up and operationalising UMTA. UMTA is expected to seamlessly and efficiently integrate various options through the prism of last-mile connectivity and payment mechanisms.

■ A DFI needed for infrastructure: The government-owned India Infrastructure Finance Company Ltd should be allowed the status of a DFI (development finance institution) for the sector. Commercial banks and NBFCs have moved away from long-term financing of projects, and alternative market instruments like Bonds, InvTs, REITs and Debt Funds have still not reached levels of full maturity. So, private domestic financing is unavailable and long-term developmental objectives are left in limbo.

■ Municipal bonds: Globally, municipal bonds are an established and major source of funding for urban infra and utilities. In the US, the current size of the municipal bond market is over \$3.8 trillion. Between 1997 and 2015, municipalities in India have been able to raise only \$291 million, according to a report by Janaagraha. A conjunction of changes is municipal accounting, rating, autonomy and civic institutions are required to be pushed, as envisaged in the historic 74th Amendment to the Constitution. It is only then that municipal bonds can be raised in substantial amounts and we can get really smart cities.

The author is chairman, Feedback Infra

INSIGHT

Reading between the lines: The PLFS survey



Soumya Kanti Ghosh & Pulak Ghosh

The much-awaited release of the Periodic Labour Force Survey (PLFS) is a sheer delight for researchers. However, a close look at the data raises several questions. This is important if India were to seriously find a solution to take advantage of its demographic dividend rather than nit picking at the data.

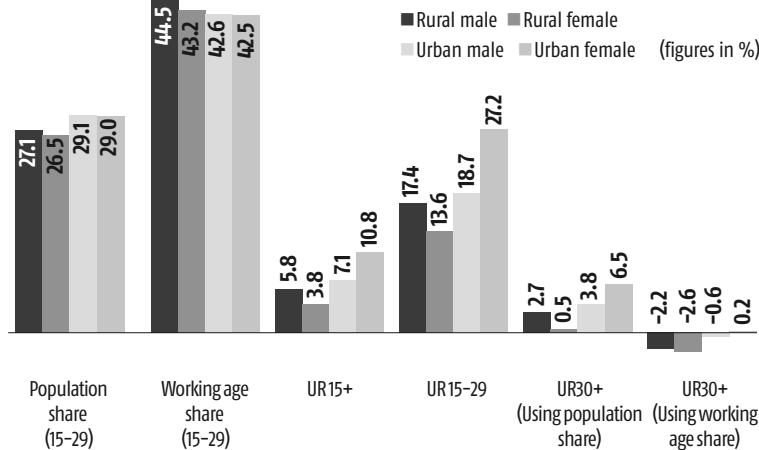
First, the questionnaire needs to be redrafted. We are in a new economy where jobs and earnings are incongruous. For example, the PLFS survey (block 5.1) directly asks the question of the status of employment of the household as per his/her profession. Given that employment in India means a permanent salary every month, if the surveyor simply asks “are you employed”, the immediate answer will be an emphatic “no”. But if one had asked the same person, if his/her income is “zero”, again the answer will be an emphatic “no”.

Second, how does the PLFS survey account for the clear shift in unemployment age? As per the PLFS survey, the unemployment in the age-group 15-29 years is as much as 17.8 per cent. However, in the 15-59 age group it sig-

nificantly declines to 6 per cent (overall at 6.1 per cent). The critiques will argue this is a case of serious youth unemployment, but it's a reflection of changing employment pattern, with the percentage of men/women in the education system being very high until the age of 23-24. Earlier, it used to be only up to 17 years. As per PLFS, these people are not counted in labour force because they are still in colleges. This could thus push up the unemployment rate in the 15-29 age bracket as a pure statistical artefact (as unemployment rate is explained as a percentage of labour force). Interestingly, as per the MHRD data, the total number students enrolled for graduation and diploma (under and post-graduation) was as much as 36 million in FY18, of which 10 million is from the north alone. How does one account for this shifting employment pattern?

We believe such shift in the employment pattern will result in very different unemployment rates for higher age brackets. Unfortunately, the report does not report unemployment rates for the 30-plus age group. Nevertheless, based on the unemployment estimates and the age group wise population shares provided, it is possible to infer the unemployment rates for the 30-plus age group. Our estimates show that the estimated unemployment rates for the 30-plus group are much lower than that of the 15-29 age group. In fact, there are instances where the unemployment rate turns out to be negative. Such negative values are possibly reflecting incorrect weights, for instance, the 15-29 age group is considered working age, but the entire population in this age group may not be in the labour force, thereby substantiating our case. If this is

ESTIMATED UNEMPLOYMENT RATES FOR 30+ AGE GROUP



true, the weights employed in generating state and national level estimates may be flawed, leading to an overestimation of unemployment in the 15-29 age group.

The possible imprecision in weights could be a result of the change in the criteria in the PLFS survey for the selection of households in the second stage for both rural and urban areas, based on the number of members in the household having general education up to secondary level (10th standard). This brings a huge bias. By doing so, we are assuming the first criteria of having a job (formal or informal) is having secondary education. This might be true for formal, but there is no such criteria for informal jobs.

Such criteria are also not representative of the population if we look at Census 2011. The percentage of people above secondary education is 35.2 per cent in urban and is only 15.3 per

cent in rural. Given that household-level secondary education was not readily available from Census 2011, the PLFS survey might have used some proxies. Also, overall literacy rate is at 63.07 per cent, but as per PLFS, only 25 per cent is sampled from this population. Thus, by doing second stage stratification dependent on secondary education, we are making the sample highly skewed (under sampling).

There are other issues also. For example, the data in the report states that the level of self-employment in urban areas has marginally declined between FY12 and FY18. This result is difficult to reconcile with massive government efforts towards self-employment, either through MUDRA or other government schemes and through formal/vocational training (the percentage of persons receive such training is constant between FY12 and FY18). How do we then interpret the Ministry of

Skill Development data that indicates than an average of 80 lakh persons were skilled between FY16 and FY18?

The report also reveals that the extent of formalisation in the economy has declined between FY12 and FY18, and that is surprising. Thus, the results show an increasing trend of workers without any formal job contract and an increasing percentage of regular wage/salary earners not eligible for paid leave going up.

We would like to highlight that today the formal jobs are 2.5 crore in government, Union, state, parastatal, 70 crore from the EPFO and 1.5 crore from ESI. Thus 11 crore is the total of people on payroll, who get a salary every month and are formal employees. Even if we assume a working population of 50 crore, this implies formalisation in the economy is around 22 per cent. This is not bad and it makes India the third largest payroll employee country in the world after China and the US.

The PLFS survey is a veritable storehouse of rich data and the NSSO must be complimented for such a stupendous effort. But such data should not be peddled to create a misleading narrative as this deflects us from the actual problem confronting India today. In fact, the protagonists should read the classic papers by Diamond, Mortensen and Pissarides (2010 Nobel winners) on why unemployment remains high even when jobs are available (so relevant in the context of India's shift in unemployment age). But this does not absolve us from creating more quality jobs that are, sadly, scarce today.

Soumya Kanti Ghosh is group chief economic advisor, State Bank of India; Pulak Ghosh is professor, IIM Bangalore. Views are personal

LETTERS

Act in the right spirit

Former chief economic adviser Arvind Subramanian's revelation that India's GDP growth was grossly overestimated nailed the government's lie. According to the eminent economist, GDP growth during 2011-12 to 2016-17 was actually 4.5 per cent rather than the 7 per cent as flaunted by the government data. It was a telling argument by him that the growth numbers did not match or relate with key indicators of economic growth such as electricity, consumption, automobile sales, investment and index of industrial production and export earnings, among others.

Many were wondering how the growth rate could be so high when the economy was perceptibly showing signs of faltering. It is common sense that the growth rates could not be as high as claimed by the government when demonetisation and GST had debilitated economic activities. If the claimed growth were real, unemployment rate would not have been at an all-time high. It is now clear that official agencies exaggerated the growth numbers to create a feel-good factor in the run-up to the election.

Instead of treating it as a prestige issue and going in for a “point-by-point” rebuttal, the government should be open to course correction in the country's interest. The attempt at validating official numbers saying they were arrived at following global standards and endorsed by international agencies would be self-defeating. Now that the election has been won, the government should have no difficulty in acknowledging the incorrectness of the growth numbers and rectifying the inflated figures. It is essential to take policy decisions based on accurate and reliable data and regain credibility. Subramanian was right in saying that the future of 1.4 billion people rides on getting the numbers right. The government should take his word in the right spirit and act accordingly.

G David Milton Maruthancode

Letters can be mailed, faxed or e-mailed to: The Editor, Business Standard Nehru House, 4 Bahadur Shah Zafar Marg New Delhi 110 002 Fax: (011) 23720201 • E-mail: letters@bsmail.in **All letters must have a postal address and telephone number**

Tough tasks ahead

GST Council must focus on rationalising the tax system

The Goods and Services Tax (GST) Council will meet next Thursday under a new chairperson, Finance Minister Nirmala Sitharaman. This will be the 35th meeting of the Council and the first after the formation of the new government at the Centre. The meeting is significant because it will be held just about 10 days before the completion of two years of the GST regime, which started on July 1, 2017. During this period, the new indirect tax regime has settled down as a relatively stable tax system, even though its many design defects and procedural glitches continue to be problematic and the overall revenue collections are still short of expectations. What are the key tasks ahead of the GST Council and its new chairperson?

First and foremost, the healthy tradition of a consultative process, followed in all the previous meetings of the GST Council, must be continued. In the past 33 months, since the Council's first meeting in September 2016, decisions at this body have been taken invariably by consensus, without the need for seeking recourse to a voting mechanism, which the law permits. The use of the consensus approach has enhanced the federal character of the Council and dispelled the apprehensions of many smaller and Opposition-ruled states that the GST Council would ride roughshod over them and ignore their concerns. The path of consensus has not been without obstacles and overcoming them through consultation has often been a time-consuming process. But it has also laid the strong foundation of a federal institution that is responsible for levying taxes on goods and services. It is important that the GST Council under a new chairperson should continue to build on that relationship of trust.

Having done that, it will be equally important for the Council to focus on meeting the important challenges ahead. As reported in this newspaper, a proposal to introduce an electronic invoicing system will be considered at the next meeting of the Council. This will be an improvement over the current system and this will also plug revenue leakages. Due care must be taken to ensure that the new system is implemented without glitches. Equally important will be to put in place a simpler system for zero-rating of exports. At present, the procedures for refunding taxes paid by exporters are cumbersome and fraught with delays, undermining the competitiveness of India's exporters.

Rationalisation of rates for different commodities and services should be no less important a goal for the Council. A way out of the current multiplicity of rates would be to agree on three broad bands, instead of the five rates at present, along with distortions by excluding input tax credits for a few products and services. A long-term goal should be to include petrol, diesel and aviation turbine fuel under the GST regime. Given the current dependence of the central and state exchequers on revenues from the oil sector, it may be necessary to rely on the imposition of a special duty on these petroleum products over and above the GST rates. This will help the governments maintain their revenue flow and at the same time should allow industry to enjoy the set-off benefits on taxes paid on such petroleum products. For the GST Council, the path ahead is not easy, but the challenges of initiating more reforms and rationalisation of rates must be met without delay.

Keep it simple

Code on Wages Bill needs to be tweaked

The National Democratic Alliance (NDA) government in this term has decided to adopt a different strategy to push its plans of converting 35-odd labour laws into four codes. It has been reported that the government plans to first take up the Code on Wages Bill, which was introduced in the Lok Sabha in August 2017 and has been vetted by the Standing Committee on Labour after extensive consultations with trade unions and industry. There is a definite need to overhaul the current minimum wage policy. The present law mentions 13 most vulnerable categories of employment, in which the minimum wages are fixed by both the state governments and the Centre and the rates vary in accordance with skill sets, sectors and location. This system has led to over 1,700 minimum wage rates, fixed by both states and the Centre (which can notify the minimum wage rate for railway, agriculture, mining or central government entities). This acts as a huge compliance burden on industry and has the potential of unleashing inspector raj. The cobweb of different wage rates also works against the welfare of workers.

In that context, the proposed Code on Wages Bill has several good features. The minimum wage law will be extended to all sectors, in accordance with the proposed law, instead of 13 categories of work — a step that is expected to ensure universal wage protection against exploitation. Under the existing system, the Centre started notifying a uniform national floor level minimum wage from 1996, which is non-binding on states. The national floor level was last revised by 10 per cent to ₹176 a day in July 2017. But to date, even business-friendly states such as Andhra Pradesh and Gujarat have fixed their minimum wage below the national floor, making the case for a statutory floor. Other states are compliant with the non-statutory floor. The minimum wage rate varies from ₹69 to ₹538 across states (with the lowest in Andhra Pradesh and the highest in Delhi), while it is ₹321 for the industries falling in the central sphere, as of November 2018.

But here comes the tricky part — the proposed Bill empowers the Centre to fix a statutory minimum wage, which may differ from state to state or from one geographical area to another. It is bound to make the system complex and confusing and difficult to enforce. The idea of a differentiated national minimum wage rate was taken forward by a government-appointed committee to determine the methodology for fixing the national minimum wage which submitted its report in February. The committee has mooted a national minimum wage level for five different zones. While four of these five regions were grouped using varied socio-economic and labour market factors, the fifth group included all North-eastern states except Assam.

But a regional-level minimum wage rate can lead to disparity among various regions with varying economic profiles. The Centre should thus fix a single national floor for minimum wages for all workers and let the states fix their own rates, keeping in mind the national floor. In short, the need is to go for a simpler structure that is easy to enforce and implement. Passing legislation on minimum wages hurriedly may have a direct bearing on jobs and industrial relations.

ILLUSTRATION: BINAY SINHA



The uniting power of Hindi

Indians display remarkable apathy to excesses by the state — except when at stake is their language

But let me make it clear to you that the state language of Pakistan is going to be Urdu and no other language. Anyone who tries to mislead you is merely the enemy of Pakistan. Without one state language, no nation can remain tied up solidly together and function. Look at the history of other countries. Therefore, so far as the state language is concerned, Pakistan's language should be Urdu."

The speaker was Pakistan's Governor General MA Jinnah, addressing half a million Bengalis in Dhaka on March 28, 1948.

This was, of course, arrogance — Jinnah was a south Bombay toff who himself spoke English and Gujarati and nothing else. And it was political suicide — the Bengalis, who were a majority in undivided Pakistan, did not accept that their language was inferior to Urdu. The roots of the break up of the country a quarter century after its formation are in this imposition of the northerner's language on the rest of the population.

The anxiousness to unite through language and religion applies to us also. Like Jinnah, the Rashtriya Swayamsevak Sangh (RSS) do not see all our languages as equal: Only Hindi is authentic. In the time of founder Hedgewar, the RSS concluded its daily activity with chorus verse in Marathi. As the group expanded, the anthem changed from Marathi to the Hindi-Sanskrit "Namaste sada vatsale matrubhumi" (it is this prayer, in which India is referred to as Hindubhumi, that the chant imposed today on all of us as a test appears — *Bharat Mata ki jai*).

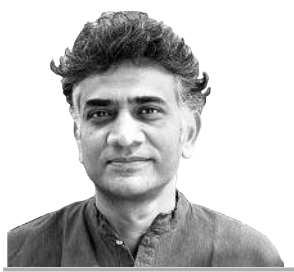
The Jana Sangh and the Bharatiya Janata Party carried the Hindi gene into politics, accompanied by a powerful dislike for English. Deen Dayal Upadhyaya, the Sangh's only intellectual — he was, of course, not particularly well read — wrote that "even at the risk of losing access to modern scientific knowledge we should free ourselves from the clutches of English."

Upadhyaya felt that the southern resistance to Hindi was born chiefly of concerns related to disadvantages in Central government recruitment. This was not so at the time when he was writing this in the 1950s and it is not so today. People like Upadhyaya have no idea about why their linguistic imposition is resisted.

For those who follow such things, the BJP's inability to let go of the Hindi issue shows itself with a boring regularity. Every second year in recent history there has been some mischief from them on this front. In 2017, Kannada activists blackened the signs on their Metro in Bengaluru, which were written in Hindi following a Central government order which was quietly withdrawn after the protest.

As Lenin said: "Probe with bayonets. If you encounter mush, proceed; if you encounter steel, withdraw." In 2019, the steel came from a united front of Tamilians and Malayalis leading to immediate tactical surrender from the BJP.

The BJP's house Tamilians were wheeled out to



REPLY TO ALL

AAKAR PATEL

Looking beyond the unemployment rate

The much-awaited results of India's first Periodic Labour Force Survey (PLFS) have finally been released. The most widely cited statistic from this report is the unemployment rate of 6.1 per cent. This rate is based on the usual status approach which relates to the activity status of a person during the reference period of 365 days preceding the date of survey. Significantly, the unemployment rate based on the current weekly status (CWS), determined on the basis of the activity status for a person during a reference period of seven days preceding the date of survey, is higher at 8.9 per cent. Having a longer reference period, the usual status measures report a larger number of employed compared to the CWS measures. As India moves towards reporting labour force indicators at an annual and quarterly frequency, it is more appropriate to anchor the policy discourse in the CWS measure. Being inherently smoother, the usual status measures are unlikely to vary much over short time intervals and are therefore unable to capture changes in employment patterns caused by seasonal fluctuations.

Regardless of the approach we use, there is no denying the fact that unemployment rates in India are high. However, it is important not to forget that in an economy like India, the unemployment rate by itself is an inadequate metric to understand the changing employment landscape. As explained eloquently in the India Employment Report (2016), in a labour surplus dualistic economy, people have to work to survive, even if the work they find is very low-productivity and low-paying. Self-employment and casual wage employment are dominant forms of employment as they enable work-sharing arrangements. What this implies is that when the number of members working in a household increases or the number seeking casual wage employment increases, each worker simply works for less time than before and a large section of the workforce is underemployed. In such a scenario, simply having a count of the number of employed or unemployed cannot tell us much about the state of

employment in the country. What we need is a conceptual understanding of the conditions of employment and how these have evolved over time. On this front, the report provides critical insights.

First, it reports the distribution of employment by the status of workers. It shows that overall the share of regular wage/salaried (RWS) workers has increased since 2011-12, suggesting an improvement in the structure of employment. In rural areas, the share of RWS workers has increased by 4 and 5 percentage points for rural males and rural females, respectively. Concomitantly, the share of self-employed has increased marginally compared to 2011-12, while the share of casual labour for both rural males and females has fallen by approximately 7 and 3 percentage points, respectively. In urban areas, the share of RWS workers has increased by 2.3 and 9.3 percentage points for males and females, respectively. This has been accompanied with a decline in the share of both self-employed and casual labour for both urban males and urban females.

Although the overall shift towards RWS employment is indeed a positive development, it needs to be viewed in conjunction with the fact that the share of RWS workers who had no job contract is as high as 71.1 per cent, an increase from 64.7 per cent in 2011-12. This points to the lack of security of tenure and vulnerable terms of employment for RWS workers. Concomitantly, two more indicators which provide insights into the quality of regular wage employment are the percentage of RWS workers who are not eligible for paid leave and those who are not eligible for social security benefits. While the former has increased from 50 per cent to 54.2 per cent, the latter has shown a decline from 55.4 per cent to 49.6 per cent. The increase in the share of RWS workers who are eligible for social security benefits is an improvement. However, the fact that half of RWS workers continue to be deprived of social security benefits is disconcerting. That the self-employed and casual wage workers who typically have no social security



RADHICKA KAPOOR

defend the government and the thing was made out to be an innocent mistake but, of course, it was not.

The question to consider is this: How are some of us able to make the government retreat where the rest of us fail? On the issue of Hindi, there was a successful pushback from stakeholders who were united, and that is great.

But there are so many other things that the government does that are objectionable. This week marks a year since a group of lawyers and activists has been in jail in the Bhima Koregaon case, nine of whom I know personally.

They are in jail for their work and their beliefs. I will not comment on the accusations against them but it is worth reading the material the state has put together, and the order written by Justice Muralidhar of Delhi High Court.

To return to our question: Why do so many protests against the excesses of the state result not in concessions but in apathy from the state and often even jail to the protestors?

India has possibly the weakest civil society of any civilised democracy. Not weak because of a lack of activism; weak despite the presence of many brave individuals and groups. But why?

The reason is that when the few fight for the marginalised and the weak, the many do not join them. The southern resistance to Hindi is not a disinterested resistance. They have a real stake and strong emotion invested in the matter and when faced with this the government has fled, even if temporarily.

However, if we look all the imposition of the other aspects of the BJP's ideology, we do not see such civic success. Take the indefinite jailing of four million people we are currently carrying out over the National Citizens Register or the blinding of over 1,000 Kashmiris including babies by India's paramilitary.

Take the public slaughter of humans after a deliberate and cold anti-beef push from this government or the capture of Adivasi land by the state and corporations. Take the immunity our soldiers are gifted for rape and murder in the Northeast and Kashmir.

What is being referred to is not confined to our present. The massacres of Punjabis in 1984 and Gujaratis in 2002 have still not ended in justice because of this lack of interest from the rest of us. Dalits marched alone to protest against the dilution of the atrocities act which protects them.

There is no real resistance from others on behalf of the direct stakeholders out of empathy or understanding. If there were, the state would crumble and fold on the issues listed above as it has on the matter of Hindi.

The conclusion we can draw is that Indians are only made upset by things that directly concern us. Even those of us who are not enthused by the excesses of government (and unfortunately there are many) are perfectly comfortable to look away or justify them in some way because we don't unconditionally accept the idea of the rights of all. We are rarely if ever willing to stand up for others despite having, at least in theory, the freedom to do so and this alone explains why India lags the civilised nations on the issues related to rights.

The Americans gave a phrase describing this sort of behaviour: "I got mine".

still account for 75 per cent of workers suggests that we have a long way to go in improving the quality of employment. In this context, it is worth examining the viability of establishing a universal labour guarantee proposed by the International Labour Organization's Global Commission on the Future of Work. The proposal suggests that all workers, regardless of their contractual arrangement or employment status, should enjoy fundamental workers' rights, an "adequate living wage", maximum limits on working hours and protection of safety and health at work. Such a guarantee, if duly implemented, especially for self-employed, would be a real breakthrough in dealing with the challenges facing the world of work.

In addition to reporting the structure of employment, the PLFS also gives the sectoral breakdown of employment. Agriculture continues to account for over 50 per cent of the workforce in rural areas, while the urban workforce continues to remain engaged in the services sector. The share of the manufacturing sector in total employment has shown no increase since 2011-12. Its share has remained flat at roughly 22 per cent of total employment in urban areas and 8 per cent in rural areas. The sluggish pace of structural transformation is indeed worrying and reiterates the need for putting in place an industrial policy, a concern increasingly being voiced by several economists. Identifying priority industries which have the ability to generate productive jobs and alleviating the bottlenecks that constrain the growth of these industries are critical for making such a policy effective. For this purpose, it is important to use more structured methodologies to identify industries that align with the country's endowment structure and comparative advantage.

As the incumbent government begins its new term, the findings of the PLFS need to be closely examined and analysed. The report can provide key insights and aid in outlining a clear path of action in the coming years to address the labour market challenges. The moment to act is now and this is an opportunity the government cannot afford to miss.

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Sleepwalking with Naxals



BOOK REVIEW

SOURADEEP ROY

Our knowledge of Naxalites is mostly hostage to second-hand accounts on the movement. Alpha Shah's book is an exception because it is a rare account drawn from participant observation — a method espoused by ethnographers who believe in the importance of living in a community to understand it. Ms Shah, a social anthropologist who teaches at the London School of Economics, describes how living in Lalgao brought her in close proximity with Adivasi life, and subsequently with

wandering Naxalite platoons.

Her initial interaction with the Naxalites was disappointing, she says. An early interview with a senior leader revealed little beyond his recounting the official history of the movement in India. Then she noticed a group preparing for a ten-day trek across Bihar and Jharkhand and asked if she could join them. They agreed, after some hesitation. Ms Shah was the only woman, unarmed and disguised as a man, trekking for seven nights with a Maoist platoon. As she describes how she walked, sometimes sleepwalked, with the Naxalites, we, the readers, march along with her, alert and in awe as we turn each page.

Each night is a separate chapter. Ms Shah's narrative is interspersed with chapters explaining the wider background of the movement, and the personal histories of the people she meets.

Divided into seven sections, each deals with a character type we usually encounter in a standard narrative on the Naxalite movement: the middle class leader who has shed the class and caste tags; the young, innocent Adivasi; the violent Naxalite — Ms Shah calls them "Frankenstein's Monster"; and the female Naxalite leader. These stereotypes allow her to work through the larger questions of declassing, de-casting and gender in the Naxalite movement, revolutionary violence, and the contradictions within the movement.

Ms Shah's strength lies in humanising each of these types and, at the same time, not compromising with the theoretical questions explored in social science research. She also draws from her experience of living with Somwari, and Adivasi woman, in Lalgao. She explains how Adivasi societies are different and enjoy

more egalitarian domestic spaces than the families of most middle class Naxalite leaders. The Naxalites believe in modernity and progress but often undermine egalitarian gender relations in Adivasi societies. At the same time, she points out that Adivasis are wary of outsiders, but the Naxalites could establish trust with this community through small acts of kindness. Like a skilled painter, Ms Shah comprehensively brings out the various shades of this complex relationship between the Adivasis and the Naxalites.

Women, we learn, seldom remain in the movement for more than a couple of years. Ms Shah, however, does meet a senior woman member of the party who confides in her. Since men and women are segregated, she explains how she feels left out of decisions sometimes made by senior male comrades in informal settings. Ms Shah treats these small vulnerabilities with a rare sympathy in her narration.

These vulnerabilities are present among the men as well. Gyanji takes a risk and answers a call while the platoon is on

the move. We learn that it's a call from his wife who'd like him to come and meet the family. At the end of the book, we learn that Gyanji had, in fact, been apprehended by the police when he came to meet his family, and has, since then, surrendered.

Gyanji, we see, laments the fact that excessive emphasis on armed actions gives the Maoists cadres little time to read and engage in other constructive action. Ms Shah charts out several possibilities for Gyanji's dedication that led him to renounce his earlier life. One such is in tracing a lineage of personal spiritual renunciation in India. Although Ms Shah distinguishes the idea of personal renunciation with collective transformation, this lineage seemed a little far-fetched even though we learn that Gyanji had, in his youth, considered becoming a yogi. For a materialist like Gyanji, it is unlikely that spiritual renunciation would have had any lasting influence in his life. We learn also that he had thought of quitting the party in the nineties when it was debating whether India was a semi-feudal or a

semi-capitalist state. It is more likely that Gyanji traces his lineage to other communist movements where these questions are addressed. I would have liked to see Ms Shah discuss that debate a little more. This would have given us more perspective on how the Naxalites see history and their role as active transformative agents in that history.

If there's one thing that is permanent to history, it's contradictions, and the Naxalites are no exception to this rule. The Naxalites, for instance, replace middlemen and contractors with their own cadres, and increase remuneration for the Adivasi workers. The risk is that the cadres who become middlemen then run the risk of emulating the very people they want to overthrow.

NIGHTMARCH: A Journey Into India's Naxal Heartlands

Alpa Shah

Sunita Aron

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