



**The Economic Survey 2019 depicts the gains from advancement in the social sector, adoption of tech and energy security**

**NARENDRA MODI**  
Prime Minister




**The Survey reflects the govt's resolve to maintain fiscal stability while pushing GDP growth rates by measures to accelerate private investment**

**RAJIV KUMAR**  
Vice-chairman, NITI Aayog




**Industry expects several positive factors, like stable govt, declining oil prices and GST buoyancy in FY20, to improve the fiscal situation**

**NIRANJAN HIRANANDANI**  
CMD, Hiranandani group



**The Survey shows importance of an ecosystem balance displaced due to climate change realities. Hence, the need for sustainable manufacturing**

**PUNEET DALMIA**  
Managing Director, Dalmia Bharat



**It is heartening to see govt promoting health care start-ups. However, it's sad to see life-saving equipment placed under heavy taxes**

**MEENA GANESH**  
MD & CEO, Portea Medical

ACCESSING DATA ■ AIM IS TO IMPROVE TARGETING IN WELFARE SCHEMES

# Govt can monetise citizen data

NEHA ALAWADHI & KARAN CHOUDHURY  
New Delhi/Bengaluru, 4 July

The Economic Survey suggested the government monetise citizens' data as part of its larger plan to use it as a public good. Making a case for digital storage and processing data, the Survey said technology brought down the cost and effort of data collection, storage, processing, and dissemination. "Data is generated by the people, of the people and should be used for the people. As a public good, data can be democratised and put to the best possible use," it noted.

The Survey proposes improving the delivery of government services by building on the "administrative, survey, institutional and transactions data" that the citizens willingly or lawfully share with the government.

The government would be able to improve targeting in welfare schemes and subsidies by reducing errors, it said. "The private sector may be granted access to select databases for commercial use. Consistent with the notion of data as a public good, there is no reason to preclude commercial use of this data for profit... Although the social benefits would far exceed the cost to the government, at least a part of the generated data should be monetised to ease the pressure on government finances. Given that the private sector has the potential to reap massive dividends from this data, it is only fair to charge them for its use," the Survey notes.

It further says "datasets may be sold to analytics agencies that process the data, generate insights, and sell the insights further to the corporate sector, which may in turn use these insights to predict demand, discover untapped markets or innovate new product".

At present, there is no law that explicitly deals with monetising government or other data. The proposed Personal Data Protection Bill, in its last draft, does not deal with this issue comprehensively.

Legal experts are not enthused by the suggestion to sell data.

"Governments usually do not monetise cit-

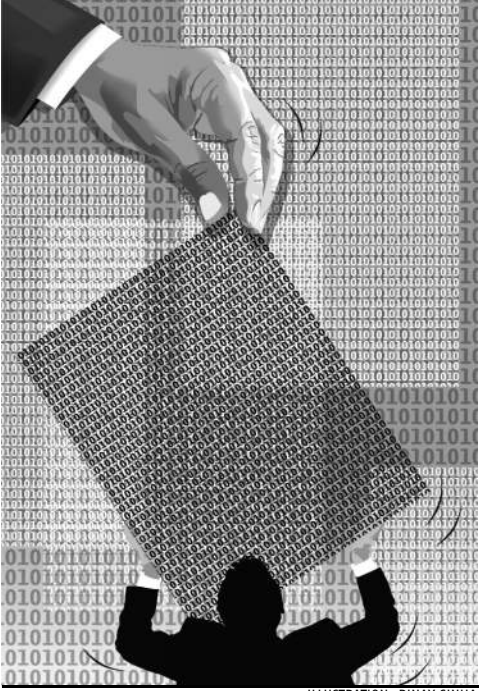


ILLUSTRATION: BINAY SINHA

izen data. But, the Ministry of Road and Highways announced a policy for sale of vehicular registration data. This is of concern because India does not have any meaningful data protection law," said Apar Gupta, executive editor, Internet Freedom Foundation.

According to Salman Waris, managing partner at TechLegis Advocates & Solicitors, two proposed pieces of legislation, if passed, would militate against the plan the Survey has charted.

"Currently there are no specific provisions that prevent the government from giving the private sector access to select public databases for commercial use."

"However there are two proposed pieces of legislation (Digital Information Security In Healthcare Bill, 2018, and the Personal Data Protection Bill, 2018) pending in Parliament,

## DATA AS PUBLIC GOOD

- GATHERING
- Digitise existing paper-based data
  - Initiate digital data collection at source
- STORING
- Initiate real-time storage for select data
  - Reduce time lag between collection and data entry
- PROCESSING
- Build capacities of govt bodies to analyse data
  - Involve private sector in analysis and insight generation
- DISSEMINATING
- Create scheme dashboards
  - Open district-level dashboard to the public
  - Open data from third-party studies to the public

which, if implemented in their current form, could have a direct bearing on the proposed activity and the same could lead to a situation where the government may be directly violating its own laws by engaging in such activities, at least from the commercial perspective," said Waris.

Another expert pointed out the proposed applications were problematic.

"Research has proved there is no fully secure way of data anonymisation and it is possible to re-identify data... this means the data of minors can get re-identified or misused," said Smitha Krishna Prasad, associate director, Centre for Communication Governance, National Law University, Delhi.

"We also don't have anti-discrimination laws in India... so data can be misused."

## COMMUNITY DATA

### Democratising data, bit by bit

The first suggestion for sharing of community data that serves larger public interest came in the draft e-commerce policy, introduced in February this year.

Building on that premise, the Economic Survey explained how the cost of per gigabyte of storage has dropped from ₹61,050 in 1981 to less than ₹3.48 today, and data analytics has grown as a much sought-after field.

Given that the cost of disseminating data over the internet is also negligible, with mobile data and broadband becoming increasingly affordable, the Survey has proposed connecting citizen data across ministries and departments into one comprehensive database.

The white paper that was floated by the Ministry of Electronics and Information Technology, before the draft Personal Data Protection Bill, spoke about issues concerning the unregulated collection and use of data by private entities and the government alike.

"Some of the concerns relate to centralisation of databases, profiling of individuals, increased surveillance, and a consequent erosion of individual autonomy," the paper had noted.

However, the government's thinking on the issue of data has evolved in the past couple of years.

**NEHA ALAWADHI**

## COMMENT



**GAURAV KAPUR**  
Chief economist, IndusInd Bank

### Survey eyes a virtuous cycle

The annual Economic Survey of the finance ministry, while projecting a shallow recovery in the current fiscal year, has set the policy path for increasing the size of the economy to \$5 trillion by March 2025.

In that endeavour, the Survey targets a real growth rate of 8 per cent, which, along with 4 per cent inflation, or 12 per cent growth in nominal terms, would allow for reaching the target set by the government.

The journey towards that goal is envisaged through a virtuous self-sustaining growth cycle created by enhancing savings, investment and exports. The Survey draws on the experience of China and high-growth East Asian economies to identify investments, particularly private investments, as the key driver of that cycle.

Analysing the growth experience of these economies, the Survey establishes the primary role of savings in driving growth and calls for pushing up savings rates in order to enable an investment cycle funded from domestic resources.

It notes that since higher savings would preclude domestic consumption, it is imperative to develop an aggressive exports strategy in order to absorb domestic capacity created in the process. And, in order to gain a global market share, the Survey emphasises exports growth led by productivity gains rather than just currency depreciation.

Furthermore, taking into account India's demographic advantage of a rising share of working-age population, the Survey notes that mildly positive real interest rates would be enough for driving the savings rate higher and that will also help in keeping the cost of capital low. That conclusion is based on the evidence that favourable demographics helped drive savings higher in China and other high-growth East Asian economies.

Specifically, on the issue of cost of capital, the survey notes that real interest rates in India are quiet high in comparison to other countries and that affects prospects for investments. An investment-led growth model therefore requires lowering the cost of capital. In the financial sector otherwise, the Insolvency and Bankruptcy Code and banking sector clean-up, have laid the foundation for boosting investments. A key area of reform identified by the Survey is restrictive labour regulations and perverse incentives which encourage small firm size. It recommends labour law changes to enhance investments and foster job creation. The Survey also makes the case for a more supportive tax policy, monitoring and reducing economic policy uncertainty and creating an ecosystem for promoting private investment, especially in start-ups and new economy, to enable the investments driven growth cycle.

For the current year, the Survey projects a growth pick-up to 7 per cent from 6.8 per cent in FY19, helped by a nascent investment recovery, political stability, accommodative monetary policy, and lower oil prices. In terms of key risks to growth, an erratic monsoon and lower credit off-take from the non-banking financial companies sector are to be watched out for on the consumption front. Slower global growth and increased uncertainties around trade tensions, could affect external demand too.

Ahead of the Budget presentation, the survey also strikes a note of caution on the fiscal front. It notes that slowing growth has implications for revenue collections and therefore meeting higher allocation requirements for welfare schemes without a diversion from the newly revised glide path of fiscal consolidation, remains the foremost challenge.

The Budget may pay heed to that caution and may incorporate survey suggestions to kick-start investment activity.

*Views are personal*

PRICE RISE ANALYSIS ■ CPI INFLATION HAD DIPPED IN FY19, COURTESY LOW GROWTH IN FOOD PRICES

# Tuition, doctor fee contribute most to inflation

ABHISHEK WAGHMARE  
New Delhi, 4 July

In a first-of-a-kind analysis of price rise in important services, the Economic Survey has shown that private tuition fees, doctors' fees, bus fares and telephone charges were the areas that contributed the most to consumer inflation in the fiscal year 2018-19 (FY19).

This analysis has been done from Labour Bureau estimates of consumer price index inflation for industrial workers (CPI-IW).

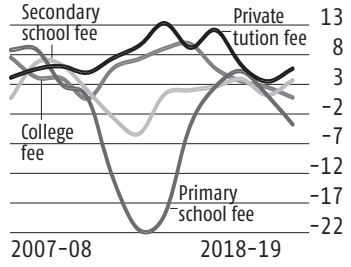
This is an important insight into price situation in the economy, especially when inflation in health and education was more than the average general consumer price index-based (CPI) inflation. General CPI inflation had dipped in FY19, courtesy low growth in food prices.



The Survey used the general CPI estimated by the National Statistics Office to show the interplay between goods and services inflation, and the CPI-IW to demonstrate those services under health, education, transport and communication

## INFLATION BASED ON CPI-IW

### EDUCATION, RECREATION & AMUSEMENT SUB-GROUP (%)

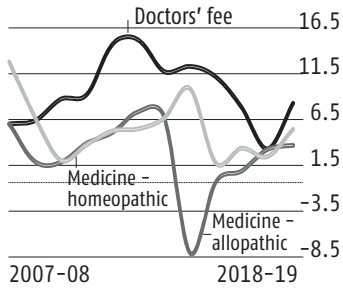


Source: Computed from Labour Bureau data

which witnessed higher-than-average inflation in 2018-19.

When it comes to education, analysis of general CPI shows that inflation in goods such as books and stationery was lower than that in services such as tuition and private coaching.

### MEDICAL CARE SUB-GROUP (%)



Analysis of CPI-IW showed that inflation in private tuitions, which had the highest inflation among education related spending, is on the rise again.

In terms of health expenses of industrial workers, doctors' fees

have been rising the fastest among other expenses such as medicine. But for the populace in general, inflation in health goods such as medicine and family planning devices has been lower than that in health services such as consulting fees and lab tests.

Telephone charges showed an inflation of more than 6 per cent in 2018-19 after many years of zero inflation.

Similarly, three years of low inflation in major transport modes used by workers — bus, rail and auto — was followed by a near 6 per cent inflation in 2018-19, the Survey showed.

Rail was the only mode of transport that showed flat inflation in 2018-19 for industrial workers. This suggests that rail fares have not risen commensurate with overall price rise in recent years.

MGNREGS ■ DIRECT BENEFIT TRANSFER IMPROVED WAGE PAYMENT AND REDUCED DISTRESS AMONG VULNERABLE SECTIONS

# Aadhaar-linked payments checked leakages

SANJEEB MUKHERJEE  
New Delhi, 4 July

Citing Awadh Nawab Asaf-ud-Daula's flawed "food-for-work" programme for famine-stricken people, the Economic Survey 2018-19 has criticised the execution of the Mahatma Gandhi National Rural Employment Generation Scheme (MGNREGS) under previous governments and described how things improved after Aadhaar-linked payments (ALP), tied with Jan-Dhan accounts, were introduced in 2015.

Under Asaf-ud-Daula's "food-for-work" programme, started in 1784 in Lucknow, one set of workers was employed during daytime to construct the Imambara while another lot was hired at night to demolish what had been built.

Chief Economic Advisor (CEA) K V Subramanian has given a chapter in the Economic Survey — his first — to highlight how direct benefit transfer (DBT) in the MGNREGS has improved wage payment, raised the number of muster rolls filed, increased the demand for and supply of

work, and reduced distress among vulnerable sections. More importantly, it has checked leakages in the scheme by eliminating "ghost workers", the Survey said.

The Survey advocated creating a real-time data base of rural distress, using the MGNREGS job demand data.

It said in blocks not affected by drought, there was no effect of Aadhaar-linked payments on the number of persons demanding work, but in drought-affected blocks the number of persons demanding work rose by 20.7 per cent after the system was introduced. In 2015, the government introduced Aadhaar-linked payments in the MGNREGS in 300 districts that had a high banking penetration, while the rest were covered in 2016.

The Survey said so far of the 116.1 million active workers under the MGNREGS, 101.6 million with Aadhaar (87.51 per cent) had been collected and seeded.

Almost 55.05 per cent of payments under the MGNREGS are through the Aadhaar-based Payment Systems.

Subramanian has advocated using the Aadhaar-linked payment system and other



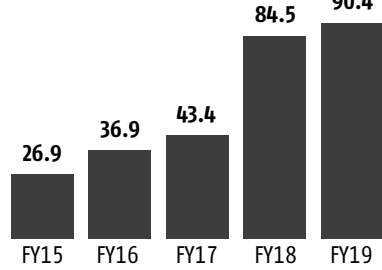
technological advancement in other schemes of the government such as the public distribution system, scholarships programme, and LPG subsidy.

"The adoption of DBT in programmes

which involve transfer of cash benefits (scholarships or pensions) and price subsidies (such as those given for kerosene, liquefied petroleum gas (LPG), public distribution system (PDS), fertilisers and oth-

## PAYMENT TIMELINE

Share of payments done within 15 days under MGNREGS (%)



Note: Under the MGNREGS Act, it is mandatory to make final payment to beneficiaries within 15 days of closure of muster roll after which they have to be paid a compensation at the rate of 0.05% of the unpaid wages per day  
Source: Economic Survey 2018-19

pre-Aadhaar period, the average amount disbursed to bank accounts more than doubled from ₹1.82 crore per block per year to ₹3.98 crore per block per year.

"This indicates that more funds flowed through DBT after ALP was instituted," the Survey said.

However, civil society activists and people working on the MGNREGS say the introduction of Aadhaar-linked payment and DBT have increased exclusions and, instead of facilitating payments, hurt workers more.

"Even before ALP and DBT was introduced in the MGNREGS, over 100 million bank accounts had been opened under the programme and wages were being deposited there. Aadhaar-linked payments have denied benefits to eligible people," Nikhil Dey of the Mazdoor Kisan Shakti Sangathan told *Business Standard*.

He said the Survey's claim that the number of muster rolls under the MGNREGA rose after Aadhaar-linked payments were introduced was incorrect. Demand for work has always been there in distressed districts, he said.





We are in affirmation with the Survey's key prognosis that for sustaining growth at 8%, investment would need to be the key driver

CHANDRAJIT BANERJEE  
Director General, CII



At this juncture, bold and flexible labour reforms would be crucial to create employment opportunities for millions of youth

RAJEEV TALWAR  
President, PHDCCI, and CEO, DLF



Survey rightly states huge mandate augurs well for economy. Expect big-ticket reforms in Budget in farm, FDI, natural resources sectors

ANIL AGARWAL  
Executive Chairman, Vedanta Resources



The Survey gives us hope of riding over some challenges. Issues like NBFC liquidity and impact on consumption would require bold moves

B K GOENKA  
President, Assocham & chairman, Welspun



The Survey implies scope for expansion in the context of cooperative federalism. States can raise infra capex yet remaining in FRBM limit

D K SRIVASTAVA  
Chief Policy Advisor, EY India

CHEAPER FINANCE ■ TIME TO SIGNIFICANTLY LOWER COST OF CAPITAL

# Need modest real interest rates

ANUP ROY  
Mumbai, 4 July

The Economic Survey for 2018-19 stressed the need to lower real interest rates to give a boost to private investment, something that was proposed by a member in the Reserve Bank of India's (RBI's) monetary policy committee (MPC).

The real interest rate is the difference between the lending rate (the Survey took State Bank of India's base rate) and the prevailing inflation rate. Similarly, the real policy rate is the repo rate minus inflation.

Considering the latest inflation print at 3.4 per cent, while the repo rate is 5.75 per cent, and the SBI base rate is 9.05 per cent, the real policy rate works out to 2.35 per cent, while the real interest rate is roughly 5.65 per cent.

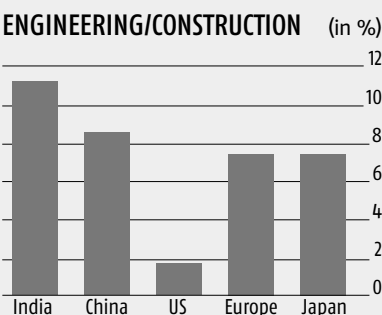
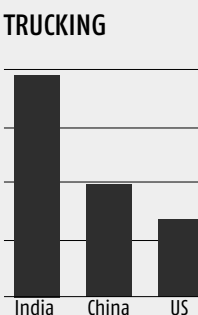
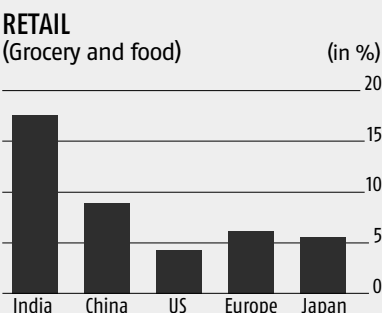
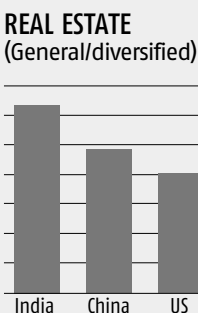
Both the real interest rate and the real policy rate are way above India's competitors. The Economic Survey made a strong pitch to bring them down.

There are various views on what an ideal real policy rate for India should be. The consensus seems to be 1.5-2 per cent.

This means at the current inflation rate, which is expected to remain till December at least, the repo rate has the scope to go down

**HIGH COST OF CAPITAL**  
The cost of capital for Indian firms, across sectors, is one of the highest in the world, the Survey showed. This affects investment prospects in the country. The rates can touch nearly 20% for some sectors such as trucking, whereas the comparable rate is a little above 5% for Japan and less than 10% for China

Source: Economic Survey



by another 35 basis points.

The Economic Survey noted that the real rate of interest had "increased significantly in India over the years".

However, with the bankruptcy code in place and capital infusion done in banks, the twin balance

sheet problem is getting addressed.

"Now that the foundations for expansion have been laid, it is time to significantly lower the cost of capital," the Survey said.

According to Chief Economic Advisor Krishnamurthy Subramanian, savings are driven

primarily by demographics and income growth. Therefore, keeping domestic interest rates high may not encourage savings behaviour. Rather, a "mildly positive real rate is good enough", he said.

This savings behaviour also gives a key degree of freedom to policy-

makers as the savers and the borrowers can be disentangled.

"As investment depends crucially on a low cost of capital, reducing real interest rates need not necessarily lower savings when the demographics are favourable. At the same time, the reduction in real interest rates can foster investment and thereby set in motion the virtuous cycle of investment, growth, exports and jobs," the Survey said.

The Survey will have powerful backers even in the RBI, particularly as the generally hawkish Deputy Governor Viral Acharya is slated to leave the central bank. Shaktikanta Das, who became RBI governor in December, has reduced interest rates thrice since February.

His dovish colleague in the MPC, external member Ravindra Dholakia, is a strong proponent of rate cuts.

"In my opinion, we should continue correcting our real interest rates by bringing down our policy rate," Dholakia said in the MPC minutes, advocating a 25-basis-point cut even as he preferred a 40-basis-point cut in the policy repo rate.

"Our real policy rate is in excess of 2 per cent and our real interest rates are very high, making our production globally less competitive. We must bring it down to realistic levels of around 1.5 per cent sooner than later," Dholakia had said.

## COMMENT



SAMEER NARANG

Chief economist, Bank of Baroda

## Shifting gear

Chief Economic Advisor Krishnamurthy Subramanian's first Economic Survey has been guided by Blue Sky Thinking and aims to adopt the appropriate economic model for India. The underlying theme of the Survey is shifting gears to catapult India to a \$5-trillion economy by 2024-25. In 2018-19, the size of the economy is estimated at \$2.7 trillion. For achieving the ambitious target, 8 per cent growth needs to be sustained compared with 7.5 per cent growth seen over the past five years.

So how does India shift gears? The Economic Survey points out examples of East Asian economies, which witnessed a virtuous cycle of increase in savings, investments and exports. With increase in savings and investment rate, the growth rates of East Asian economies improved. A corresponding increase was also seen in exports.

In India's case, a favourable demographic phase should support growth. Lower real interest rates can increase the savings rate. These savings can be harnessed into investments thus kick-starting the virtuous cycle. However, as the savings rate goes up, the consumption rate has to naturally fall. Thus exports form an important element of this strategy. Investments will foster job creation and thus, imply more taxes for the government to spend on infrastructure.

The investment cycle can be kick-started by public spending, which can crowd-in private spending. The government is already doing this, as seen in investments in roads, affordable housing and railways. For private sector capex to improve, the Economic Survey shows the way forward. It talks about the following reforms: a) strengthening legal systems by reducing backlog and improving contract enforcement. India ranks 163 in contract enforcement in World Bank's Ease of Doing Business, 2) labour reforms such as seen in Rajasthan can increase investments, 3) reducing the real rate of interest to make Indian firms competitive, and 4) encouraging micro, small and medium enterprises (MSMEs) to invest more and gain from economies of scale. On the fiscal front, the Economic Survey reiterates that the government should continue on the path of fiscal consolidation and maintain the trajectory of the revised fiscal glide path. This will reinforce lower inflation and thus give room to the Reserve Bank of India to reduce real interest rates. This, in-turn, will spur savings. The current global backdrop of lower interest rates should favour India. Thus, the Economic Survey sets the economic and reform agenda of the government for the next five years. In many ways the reforms undertaken by the government have laid the framework for the next phase of growth. The Insolvency and Bankruptcy Code (IBC) allows for a smooth and timely bankruptcy process. The goods and services tax sets the framework for data-driven lending and better tax compliance.

The Blue Sky approach is ambitious, but doable. It is also in contrast with the current trend where savings, investment and export rates have been falling. The decline in investments has gone hand-in-hand with rising non-performing loans in the banking system. However, with a massive recapitalisation program and implementation of the IBC, non-performing loans are now declining. Thus, the ground-work for a sustained growth path has been laid out. Much needed reforms in labour and legal systems will push growth higher.

## IBC IMPACT: CULTURAL SHIFT IN ECOSYSTEM

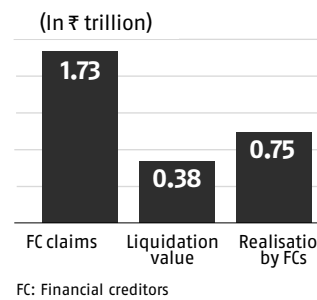
The Economic Survey said while the sustainable impact of the Insolvency and Bankruptcy Code (IBC) would be known in due course, green shoots had already emerged and some significant benefits of the IBC were visible. "The threat of promoters losing control of the company or protracted legal proceedings is forcing many corporate defaulters to pay off their debt even before insolvency can be started," it said.

Till March 31, 2019, the corporate insolvency resolution process yielded a resolution of 94 cases, which has resulted in the settlement of claims of financial creditors totalling ₹1.73 trillion. These cases include six out of 12 large accounts where insolvency resolution was initiated by banks, according to the directions of the RBI in 2017. The overall recovery in case of resolved cases is nearly 43 per cent, which is 194 per cent of the liquidation value, the Survey said.

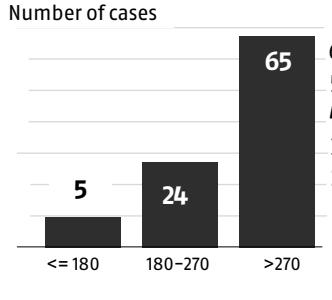
In the two years of the IBC, real estate was the top sector, with 20 per cent of the insolvency cases being registered. Manufacturing, which includes steel, power and chemicals, comprised 40 per cent. A large number of firms also opted for voluntary liquidation. One of the objectives of the Code was to give companies a chance to exit if they did not carry out any business or if the business itself was unviable.

COMPILED BY VEENA MANI

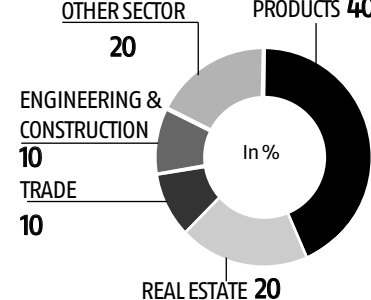
### FINANCIAL CREDITORS RECOVER MORE UNDER IBC



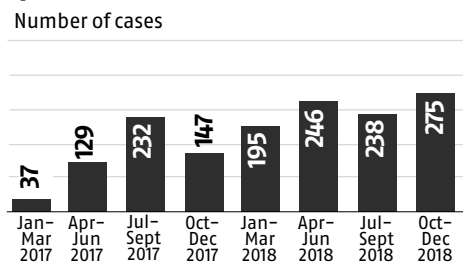
### NUMBER OF DAYS TAKEN TO APPROVE RESOLUTION PLAN



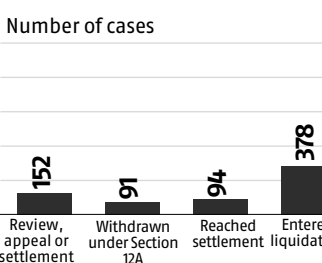
### SECTOR-WISE DETAILS OF IBC CASES



### QUARTERLY TREND OF ADMITTED CASES



### STATUS OF ADMITTED CASES



## NBFC stress poses risks to growth, says Survey

JASH KRIPLANI  
Mumbai, 4 July

The Economic Survey for 2018-19 highlighted contagion risks posed by stress in non-banking financial companies (NBFCs). It has hurt consumption growth in the automobile sector affecting manufacturing, the Survey said.

It warned that if the impact of the stress in the NBFC sector spilled over this year, it might lead to lower credit offtake from NBFCs, which might impede consumption spending growth. The Survey charted the origin of the NBFC crisis to mutual funds' (MFs) risk aversion after the IL&FS crisis in September.

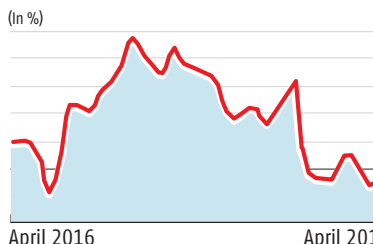
"Immediately after the IL&FS crisis, NBFCs faced a severe liquidity crunch as MFs stopped refinancing the loans of NBFCs," the Survey said. It added MFs' deployment towards NBFCs stood at -12 per cent in April.

Banks' attempts to provide liquidity after the IL&FS crisis were short-lived as the Survey pointed out that "resources from the banking side started contracting from November 2018".

"This squeeze in the flow of resources to NBFCs has affected the lending capability of the sector in recent quarters," the Survey read. Credit growth in NBFCs in March 2018 stood at 30 per cent on a year-on-year (YoY) basis. In March 2019, it was at 9 per cent (YoY). The Survey showed how some key performance indicators of NBFCs had deteriorated in 2018-19. The return on assets for the NBFC sector was down at 1.4 per cent in December 2018, from 1.6 per cent in March 2018. The capital to risk asset ratio or capital adequacy slipped to 22.2 per cent, from 22.8 per cent in the same period.



### FALL IN MF DEPLOYMENT TO NBFCs



Net non-performing assets of NBFCs were up at 3.6 per cent from 3.2 per cent. The return on equity for the sector slipped to 6.1 per cent from 7 per cent.

Last August, MFs put in ₹1.3 trillion in short-term paper (of less than 90 days) that NBFCs had issued. By the end of 2018-19, it had dropped to ₹95,708 crore, showed the data sourced from Sebi. This shows a fall of 27 per cent.

## Households are spending more on discretionary items

ABHISHEK WAGHMARE  
New Delhi, 4 July

Indians are increasingly spending more on discretionary items and less on basic necessities such as food, according to the Economic Survey for 2018-19.

Private consumption forms the biggest chunk in the gross domestic product (GDP) basket. Changes in consumption pattern are crucial to the growth dynamics of various sectors of the economy.

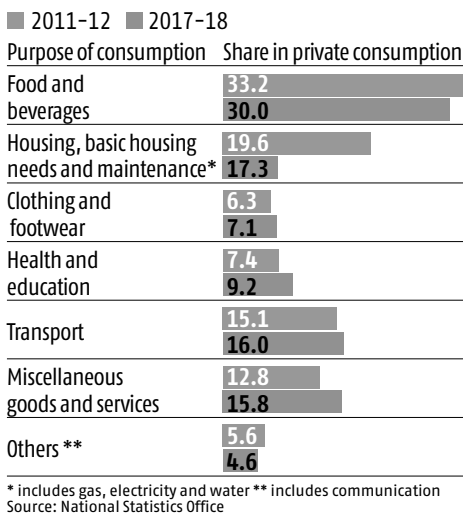
The last two quarters of 2018-19 saw growth slowing in private consumption — contracted auto sales and subdued FMCG sales — pushing down economic growth to the lowest in 20 quarters. Private final consumption expenditure, the way it is defined in national income accounts, forms nearly 60 per cent of India's GDP.

"Although the share of private consumption in GDP remains high, the pattern of consumption has undergone some change over time — from essentials to luxuries and from goods to services," the Survey said.

The trend is important as it gives a hint about the outcome of the Consumption Expenditure Survey (CES), which will be released by the National Statistics Office within a month or two. The CES forms the basis for deciding the sources and weights of private consumption expenditure in the national accounts; the data that is used for GDP formulation.

"From food and beverages, transport and communication, which are more of necessities, the spending has been shifting towards clothing and footwear, health and education, and housing and maintenance," the Survey said.

## WHERE PEOPLE ARE SPENDING

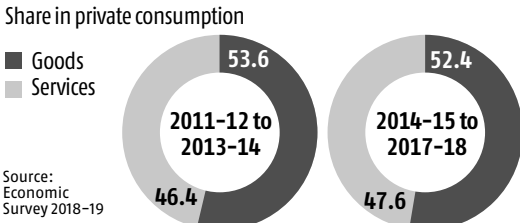


The data from the NSO shows the share of food and beverages has reduced from 33.2 per cent of private consumption in 2011-12 to 30 per cent in 2017-18 — a reduction of over three percentage points.

As more children are attending school and college, incomes are rising. Spending on health and education has started occupying a larger pie in the consumption mix. Their share increased from 7.4 per cent in 2011-12 to 9.2 per cent in 2017-18.



### SERVICES OCCUPY A BIGGER SHARE




"This shows an increase in discretionary spending by households, compared to necessities," noted the Survey.

Spending on housing, its maintenance and basic household necessities, such as electricity and water, reduced as a share of overall spending, from 19.6 per cent to 17.3 per cent, over six years.


The Survey noted spending on services was rising vis-à-vis goods. In another chapter, the Survey found inflation in services in recent times has been higher than that for goods.






**Incentivising private sector to share transaction-level data with the govt can provide rich insights for futuristic policy formulation**

**ARINDAM GUHA**  
Partner, Deloitte India




**Electric vehicles finding a space in the Survey shows how crucial this industry is for economic and ecological condition of the country**

**SOHINDER GILL**  
Director General, SMEV




**In line with the \$5-trn vision, it is imperative that public and private sectors work in unison. Adoption of tech is needed to achieve the lofty vision**

**VARUN BHUTANI**  
MD, WorkKey, Trihund Solutions



**Spent 3 hours speed-reading the two volumes of the Survey. It's a cloudy, overcast afternoon in Delhi. Enough said**

**DEREK O'BRIEN**  
Rajya Sabha member, Trinamool Congress



**There are no growth projections sector-wise. The govt, speaking through the Survey, is pessimistic about the economy**

**P CHIDAMBARAM**  
Former finance minister

Q&A WITH CHIEF ECONOMIC ADVISOR

KRISHNAMURTHY SUBRAMANIAN

'Divestment to make up for tax-revenue shortfall this year'

Just a day before the Union Budget 2019–20, Chief Economic Advisor **KRISHNAMURTHY SUBRAMANIAN** said asset monetisation and disinvestment were expected to make up for the expected shortfall in revenue. Subramanian, after presenting the Economic Survey 2018–19, told **Arup Roychoudhury** and **Somesh Jha** the topics not covered in the Survey, like banking sector reforms, would find place in the next Economic Survey seven months from now. Excerpts:

**The Survey states the fiscal consolidation road map needs to be adhered to. But we also have a massive shortfall in direct and indirect taxes. Money has no colour. What I am saying is that non-tax revenues have the potential to expand and make up for the revenue shortfall. Our public sector undertakings are sitting on large pools of land, which can be monetised. This is also an opportunity for greater returns from divestment. To be classified as a state-owned firm, instead of looking at the government retaining 51 per cent, you can perhaps look at 40 per cent of the government and 11 per cent by LIC. That will get in more capital receipts. Divestment is expected to fill in some of the gaps in tax revenue. We have to adhere to the fiscal glidepath.**

**The main plank of your Survey is that investments will lead to more growth and, in turn, job creation. Where will the investment come from, given the under-utilisation of capacity and slowdown in private consumption?**  
When we wrote this chapter, we had the choice of trying to get into each of these details or focus on conveying the big picture message of moving to 8 per cent growth. We had the answers to these questions but we wanted to stay focused on the Survey. Let me answer a couple of important things. Some overhang from the previous period has unwound completely, banks have cleaned up their balance sheets, and credit to large firms has started going up. There is also an important



PHOTO: SANJAY K SHARMA

opportunity we have not tapped enough. If you look at the global environment, in terms of liquidity, surplus and interest rates, it is as benign as it ever was. There is a lot of flush liquidity. If the economy is growing at 8 per cent, this money will find it profitable to invest in such opportunities. We have to rely on some foreign savings. They can come in and create investment and once that starts, it will be the beginning of the virtuous cycle of productivity, jobs, and demand. And, people have asked me questions on jobs, exports, and investments — in silos. These are complementary to the macroeconomic formula. The other key departure we have made is that economists love to think of equilibrium whereas the eastern Asian economies, including China, went on a virtuous cycle. And we are saying “double down on investments” and as long as that happens, other things will come through.

**“WE WILL WRITE ANOTHER SURVEY IN 6 MONTHS ... THIS IS A SURVEY FOR A NEW GOVT THAT WILL HAVE FIVE YEARS TO IMPLEMENT POLICY**

**“ON THE NBFC CRISIS, WE HAVE TO ENSURE WE DON'T PERPETUATE A SITUATION OF PRIVATE PROFITS AND PUBLIC LOSSES**

**The Survey gives banking reforms, which you have been talking about since assuming office, a miss, and it offers no solution to the NBFC (non-banking financial company) crisis. Any reason?**  
We will write another Survey in six months — January 2020 for the Budget. So, we had to make the choice. This is a Survey for a new

government that will have five years to implement policy.

**But don't we have to immediately address the NBFC crisis?**  
On the NBFC crisis, we have to ensure we don't perpetuate a situation of private profits and public losses. We have to take cognizance of the moral hazard that comes from it. People use the global financial crisis as an example but that was a one-off case. And there too, the US government made money. We cannot use that as an example. Instead, we have to think about structural issues, especially the asset-liability mismatch in NBFCs. If you look at the short-term money they raise, the ratings in almost 95 per cent of commercial papers is L1 plus. This means there isn't any distinction between these firms. Their long-term ratings are substantially different and this creates an incentive for the asset-liability mismatch. We need to fix structural problems.

**You have spoken about the need to access foreign capital, perhaps through instruments such as sovereign bonds. Are India's macroeconomic indicators strong enough to issue such bonds?**  
We have had average growth at 7 per cent, and inflation is low and stable. These are the components of macro-economic stability. We are following the path of fiscal consolidation and should look at opportunities that are there for us. You look at the US, Japan, Europe — the cost of capital is so low. If our economy grows at 8 per cent, and the other global economies don't, it would be a real opportunity to take overseas debt.

**Is further liberalisation of foreign direct investment on the cards?**  
If you are growing at around 7 per cent, foreign money will want to come in. Liberalising FDI further is one aspect we can think about.

More on business-standard.com

PUSH COMES TO NUDGE

■ DEPLOY BEHAVIOURAL ECONOMICS, RELIGIOUS NORMS TO ACHIEVE GOALS

Giving change a big 'nudge'

NITIN SETHI & RUCHIKA CHITRAVANSHI  
New Delhi, 4 July

From citing religious tenets and making people repay their debts to improving the efficacy of social welfare programmes such as financial inclusion, the Economic Survey 2018-19 has emphasised that the government deploy behavioural economics as a tool to improve outcomes.

This branch of economics gained traction in policymaking in recent times and earned more popularity after economist Richard H Thaler, popular for his work on *Nudge* theory, won the Nobel Prize in 2017.

The chief economic advisor, Krishnamurthy Subramanian, has given a chapter to utilising insights from this branch of economics in furthering the government's social and economic objectives.

He noted the government had deployed concepts and principles of behavioural economics to get better results from schemes such as the *Swachh Bharat Abhiyan* and *Beti Bachao Beti Padhao*.

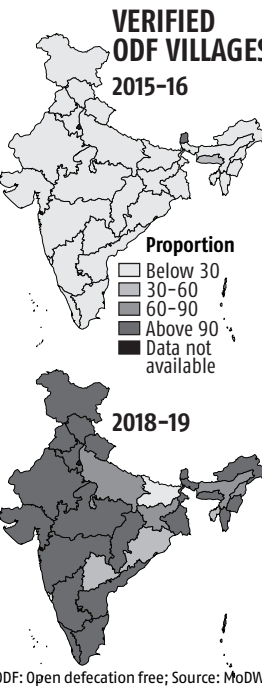
Subramanian said it could be leveraged across social, economic, and political arenas — from increasing tax compliance, to get people to surrender subsidies, and to influence policymakers and politicians to take tough economic decisions.

On deploying behavioural economics to improve tax compliance, the Survey recommended changes in automatic deduction of taxes as a default option to public shaming of individuals who do not pay taxes, and tax withholding, followed by refunds at the time of tax filing.

The Survey further suggests that religious norms can also be used to further the cause of tax compliance. In India, where social and religious norms play such a dominant role in influencing behaviour, behavioural economics can therefore, provide a valuable instrument for change.

The Survey said, “Repayment of debt in one's own life is prescribed as necessary by scriptures across religions. Given the importance of religion in the Indian culture, the principles of behavioural economics need to be combined with this ‘spiritual/religious norm’ to reduce tax evasion and wilful default in the country.”

The Survey suggested ‘nudges’ and consistent messaging across the spectrum of the government's socioeconomic agenda. This included people being made to make deposit contracts to achieve



goals of weightloss and ceasing to smoke and auto enrolment of citizens to saving schemes to improve financial inclusions. The Survey recommended that “every programme must go through a ‘behavioural economics audit’ before its implementation.

The Survey served the successful implementation of the scheme as proof of how ‘nudging’ citizens to choose against open defecation and high-use of toilets worked well.

The Survey said the national sanitation coverage in rural areas went up to 93 per cent in 2018-19, from around 40 per cent in 2014-15 because the campaign emphasised a behavioural change.

However, this is also the period over which funds allocated for the *Swachh Bharat Mission* increased from ₹2,850 crore in 2014-15 to ₹16,948 crore in 2017-18.

The Survey showed how more than 500,000 foot soldiers, one for each village, leveraged their social ties to effect change.

Financial savings from a household toilet exceed the financial costs to the household by 1.7 times, on average, and 2.4 times for poorest households, according to the Survey.

The authors of the Survey note: “Behavioural economics is, however, not a panacea to policymaking; its potential needs to be understood and put in perspective. Nudge policies cannot and should not supplant every incentive-based and mandate-based policy... However, the majority of public policy issues are amenable to incorporating nudges.”

'DEMOGRAPHIC DIVIDEND' ON THE DECLINE

**Increase in retirement age could be considered: Economic Survey**  
India is set to witness a sharp slowdown in population growth in the next two decades, the Economic Survey report has flagged. It says that although the country as a whole will enjoy the “demographic dividend” phase, some states will start transitioning to an ageing society by 2030s. With life expectancy for both males and females is likely to continue rising, increasing the retirement age for both men and women going forward could be considered in line with the experience of other countries. Population growth in India has been slowing in recent decades from an annual growth rate of 2.5 per cent during 1971–81 to an estimated 1.3 per cent as of 2011–16. Going with the trend, the Survey suggests that policy makers need to prepare for ageing, which will need investments in health care as well as a plan for increasing the retirement age in a phased manner. COMPILED BY DILASHA SETH

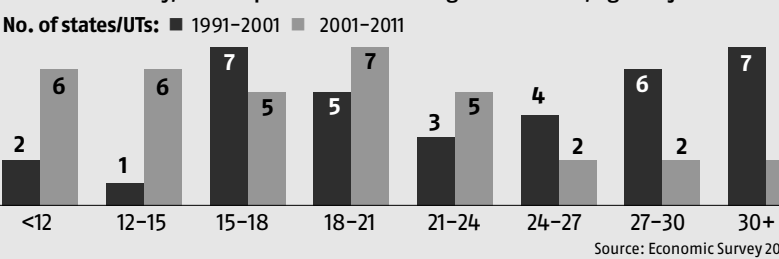


POPULATION AND ITS GROWTH

Census years	Decadal growth %
1961	21.64
1971	24.8
1981	24.66
1991	23.87
2001	21.54
2011	17.64

DECADAL TRAJECTORY

In 2001, only two states had a decadal growth in population at less than 12%, against 6 in 2011. Similarly, 7 states posted an over 30% growth in 2001, against just 2 in 2011



ANNUAL POPULATION GROWTH RATES OF STATES

Annual population growth is expected to come down to 0.46% between 2031 and 2041 from 1.77% during 2001–11. In fact, Tamil Nadu is projected to see an annual decline in population by 0.05% in the decade ending 2041, Andhra Pradesh to barely grow at a rate of 0.02%

Top 6	2001–11	2011–21	2021–31	2031–41
Bihar	2.54	1.82	1.34	1.0
J&K	2.36	0.88	0.82	0.49
Chhattisgarh	2.26	1.17	0.76	0.57
Jharkhand	2.24	1.39	0.97	0.82
Rajasthan	2.13	1.47	0.96	0.75
Uttar Pradesh	2.02	1.48	0.93	0.73

Bottom 6	2001–11	2011–21	2021–31	2031–41
Kerala	0.49	0.66	0.45	0.18
Andhra Pradesh	1.1	0.65	0.31	0.02
Himachal Pradesh	1.29	0.64	0.57	0.24
Punjab	1.39	0.71	0.42	0.11
Odisha	1.4	0.82	0.63	0.38
Tamil Nadu	1.56	0.56	0.25	-0.05
INDIA	1.77	1.12	0.72	0.46

Survey calls for coordinating body for resource efficiency

SHREYA JAI & SHINE JACOB  
New Delhi, 4 July

Shifting focus on sustainable development and infrastructure creation, the Economic Survey this year called for resource optimisation and energy efficiency.

The Survey has suggested that India, like several countries such as the United Kingdom and Iceland, should invest in resource efficiency through recycling, reusing, minimising consumption and reducing wastage.

In its first stint, the BJP-led central government had initiated and rechristened several schemes for energy access, notably *Saubhagya* for household electrification and *Ujjwala* for free LPG connections. Around 71.8 million LPG connections have

been provided under the *Ujjwala* scheme and 99 per cent households were electrified under *Saubhagya* till April 2019.

The Survey lauded these schemes for their impact, but noted that as India aggressively looked to push energy access, it would exert pressure on the environment and raise sustainability concerns. To address this, the Survey suggested setting up a national coordinating body — the bureau of resource efficiency (BRE) between various ministries.

“Various studies have analysed the economic impact of effective RE strategy and identified that ₹6,000 crore can be saved in the manufacturing sector. Effective waste management policies can generate 1.4 million jobs and nearly \$2.7 billion opportunity can

FOR A GREENER TOMORROW

- The Survey suggests setting up of a coordinating body for environment and sustainability concerns
- National policy on resource efficiency
- A policy on sustainable public procurement to minimise consumption of resources, reduce waste generation, greenhouse gas emissions
- An energy policy taking into consideration the economies of coal and renewable



be created from the extraction of 8 million tonne of steel from the end of life vehicles,” the Survey said.

To push the agenda for resource efficiency, the Survey has

asked for the formulation of a national policy on the same.

Additionally, it has asked for a policy on sustainable public procurement to minimise

consumption of resources, reduce waste generation and greenhouse gas emissions, as well as, contribute to innovation in the space of RE.

The Indian government is already running various energy efficiency programmes alongside access schemes.

Energy efficiency programmes have generated cost savings worth more than ₹50,000 crore and a reduction of about 110 million tonne of CO2 emissions in 2017-18, the Survey noted.

Among the energy efficiency measures suggested, the Survey said India would need a comprehensive energy policy taking into consideration the economies of coal and renewable. It also said renewable energy needs of \$250 billion investment over the next decade.

Infra over incentive to promote EVs

The Economic Survey has quoted studies showing that more than incentives offered to manufacturers and users, good charging infrastructure is key to mass adoption of electric vehicles (EVs). This is because the driving range of batteries in electric vehicles is less, compared to those which run on fossil fuel.

The suggestion by the chief economic advisor comes at a moment when the industry and the government's policy think tank NITI Aayog have expressed conflicting views about the road map. “We find that the market share of EVs is positively related to the availability of chargers and larger availability of chargers

corresponds to greater adoption of EVs. The market share of EVs increases with the increasing availability of charging infrastructure,” the Survey said. It said in India, the limited availability of charging infrastructure appeared to be a major impediment to increased adoption of EVs, another being the time taken for completely charging EVs.

However, despite the challenges, the Survey noted that electric vehicles will be the future in India and even said that the country can emerge as a manufacturing hub of EVs with favourable policy support.

ARINDAM MAJUMDER



# Listen to kibitzer

Smart leaders know nobody is too small to make an impact



## THE WISE LEADER

R GOPALAKRISHNAN

Kibitzer is a Yiddish word for a spectator of bridge or chess, who offers unsolicited advice in chess, bridge, sports or even business. Some leaders respond positively to unsolicited ground signals, incorporating the messages into their transformation programme — like JJ Irani did at Tata Steel in the 2000s, or SN Subrahmanyan of L&T did during the

Mindtree acquisition recently. Nelson Peltz of Trian Fund Management pushed hard for PepsiCo to split. Indra Nooyi engaged without giving in. Nelson Peltz sold his shares and took his money. Unilever engaged and fended off the bid by Brazilian investor 3G and Kraft Heinz.

Others like ICICI, Ranbaxy and Jet Airways failed to do so in their recent episodes in India. 3G had bought Kraft, engineered its merger with Heinz and ran the company to the ground. Klaus Kleinfeld, a former CEO of Alcoa, got trapped in his dealings with Elliot Management, and had to step down from his position at Alcoa. Ton Büchner at Akzo Nobel responded to the bid by an American paints major by divesting Akzo of its chemicals business. Ellen Kullman, chairman of Dupont, fended off Trian's Nelson Peltz to join the board, then quit, thus facilitating the complex surgery of Dupont and Dow. John Flannery, successor to Jeff Immelt at

GE, was perceived as a very authentic and warm person, but he was removed within 15 months of taking over the leadership of GE.

The CEO response has a connection with the ability to discern subsonic messages from deep within the organisation. Like pigeons! A World Pigeon Racing competition has been going on for over a century. During the 1997 race across the English Channel from France, most of the pigeons failed to reach England — an unprecedented disaster. It appears that, quite mysteriously, the pigeons' navigation system could not discern familiar subsonic signals from ocean waves crashing into the coast. Why? Because a supersonic Concorde had left Heathrow around 11 am, emitting its own subsonic signals as the plane broke the sound barrier. The pigeons got confused by the plane subsonic signals. They lost their way.

Likewise, in companies, a CEO receives subsonic sounds from the

employees, customers and business observers. Good CEOs realise that nobody is too small to make an impact. The founder of Bodyshop, Anita Roddick, was credited with the comment, "If you don't believe it, try going to bed with a mosquito." For example, an American university published an ill-researched analysis about a consumer product in India, and an obscure activist drummed up a public scare in India. Investors and analysts exert great pressure on the board by their comments and demands. Boards cannot be dismissive and must respond astutely.

The case study method has been widely and successfully used in management education. One unintended effect is that the method produces kibitzers. I recall my training days when I found fault with various CEOs while discussing case studies. Heaven knows how stupid I must have looked to my team while they observed my decision-making and actions as a CEO!

Offering newspaper critiques, writing case studies and television commentaries, all kibitzer activities, are a darned sight easier than doing the job. Howsoever irritating their suggestions may be, kibitzers are not to

be ignored. In an earlier column (June 7), I had mentioned that a controlled degree of narcissism is essential for a CEO to be successful.

CEO narcissism manifests through seven skills: ruthlessness, charm, focus, mental toughness, fearlessness, action and mindfulness. I am personally familiar with all seven skills, thanks to my two decades as CEO. Without making technically controversial statements, I have also noted the view of professional psychiatrists, that narcissists and psychopaths have similarities. They are along a continuum and belong to the same species. Both have a high self-opinion, accompanied by a low opinion of others. Success is to their credit, failures are due to external factors.

When these characteristics are bound within a limit, they work positively; if that limit is breached, the same characteristics cause damage.

*The author is a corporate advisor and distinguished professor of IIT Kharagpur. He was a director at Tata Sons and a vice-chairman at Hindustan Unilever. His latest and new book is Doodles on leadership: experiences within and beyond Tata. Email: rgopal@themindworks.me*

# Pushing bond & currency mkt development

Work by regulators, market infrastructure institutions and market participants needs to continue to ensure these markets move to the next phase of development



VIKRAM LIMAYE

The fixed income and currency markets in India have operated primarily over the counter (OTC). While government bonds trade on an electronic platform, corporate bonds are mainly OTC traded with reporting and settlement on clearing corporations. Currency spot and forwards trade primarily in OTC markets, whereas futures are exchange traded. What measures could then be adopted to accelerate the pace of growth in these key markets?

Government bonds are very actively traded on the Negotiated Dealing System — Order Matching platform. However, liquidity is concentrated largely in the 10 year bucket. While the average daily traded volume is large at ₹38,650 crore for the last financial year, liquidity is not easily available across the curve. In 2018, for the first time, stock exchanges were permitted to distribute government bonds through the non-competitive bidding route to retail participants. The NSE has seen good interest from retail participants. In India, retail investors are very active

participants in direct equities and can potentially be large participants in government bonds too. The large sums of money invested by retail investors in bank fixed deposits clearly indicates a preference for risk free fixed returns.

Government bonds compare favourably to FDs in many ways. They provide longer maturity, are much safer investments and provide an exit opportunity through secondary markets. Further, with some of the recent credit situations observed in the corporate bond space, government bonds would be the ideal asset class. Bringing in newer classes of investors to the government bond market is key to enhancing depth and liquidity. To incentivise investments in government bonds, these instruments need to be brought on par with investments in other fixed income products. For retail investors, interest income up to a certain threshold may be made exempt from tax.

The NSE is proposing to introduce some new proposals to facilitate secondary market liquidity, which would further aid in building this market. The RBI, in its last policy, had announced that stock exchanges will be permitted to offer State Development Loans (SDLs) through non-competitive bidding route. This will be an additional fixed income product that will widen the offering to meet varying investor needs and risk appetites. Appropriately incentivising interest income on this asset class could see substantial investment being channelised to government securities and SDLs. Taking the learnings from equities market, another potential avenue to explore could be unifying wholesale and retail markets. Currently, institutional participants



trade on NDS-OM and retail participants have a separate segment on NDS-OM and on the stock exchanges. Having a seamless and connected trading and settlements infrastructure could help in developing this market.

Corporate bonds have seen the most policy measures in the last five years to aid transition from a bank loan dominated market to a balanced distribution between market borrowing and bank funding. More corporate entities have started looking at capital markets for debt raising and the Securities and Exchange Board of India (Sebi) too has nudged corporate India towards capital markets.

Importantly, recent instances of default and the markets inability to price these risks satisfactorily, has created more uncertainties around corporate bonds. With more default resolution experience with the bankruptcy code in operation, pension and insurance companies could be directed to widen their

investment horizon to slightly lower rated paper in a phased manner.

Sebi's recent initiative of credit rating agencies providing disclosures on liquidity and default indicators is a welcome step. Additionally, India could look at developing a junk bond market. As international investors gain more confidence in IBC, we could see foreign investment in this space, which has more experience in trading and dealing in these assets. It is time for India given the IBC framework to more actively promote this new class of investors — domestic and foreign; who could help grow this market.

Most international markets actively trade credit spreads, that is, a spread over the sovereign curve. However, given that India does not have a liquid sovereign curve across maturities and an underdeveloped derivatives market, it is tougher to price credit risk. While steps are being taken to develop the cash markets, derivatives markets can't be ignored. Regulators especially for

mutual funds, insurance and pension need to facilitate this participation as current regulations are excessively restrictive. Perhaps regulators of all institutional investors need to take a combined view to develop the credit markets.

Coming to currency markets, an urgency in permitting longer trading hours at domestic trading venues is needed. Onshore markets operating for eight hours as against offshore trading venues being accessible for 16 to 23 hours creates a distinct disadvantage for onshore venues. India is perhaps among the fewer regimes where domestic currency transactions are still mired in substantial documentation requirements. Documentation may only be sought when an actual remittance takes place, to ensure regulatory compliance. For trading and hedging without delivery, proof based documentation could be eliminated. Another measure that needs evaluation is permitting stock exchanges to offer a spot FX platform to SMEs.

Financial market regulators have taken several measures to accelerate the pace of development of bond and currency markets. Many recent steps will bear fruit in the years to come. The stock exchange distribution network which has largely distributed equities, is now being utilised for increasing access points for fixed income products. Currency futures and options that are offered by stock exchanges have expanded the number of participants in this asset class. Work by regulators, market infrastructure institutions and market participants needs to continue to ensure these markets move to the next phase of development.

*The author is managing director & CEO, National Stock Exchange of India Ltd. Views are personal*

## INSIGHT

# The rise of the silver generation



AMBI PARAMESWARAN

In the late 1980s there was a rather popular ad on Indian television for Bajaj Bulbs that had a highly hummable jingle which went something like this — 'When I was a young boy I was a naughty little brat, but now I am a *bodha* and I live on tablets, but Bajaj still fills my life with light'. I wonder if the ad in its original form will get a positive reaction today; or will it get critiqued for being so derogatory about the aged. There was also a charming ad featuring thespian Shriram Lagoo where his grandkid asked him to play badminton; "Dadaji Badminton? 'Nahin, pehle Dabur Chyawanprash..."

The aged in India were shown to be consumers of pills potions and Chyawanprash, who went on pilgrimages. And prayed through the day. That was then when the aged were called the *bodhas*.

But that definition went through its first change two or three decades ago when they were renamed a more respectable "senior citizens", now in marketing lexicon they have developed an even better name, "silver generation". The seniors are no longer just being used as props in happy family photographs in ads. They are being wooed by multiple categories, ranging from travel to automobiles to investments to diapers.

It may come as a surprise to some

of the readers that the magazine *Modern Maturity* was once among the largest circulated magazines in the US. So the western markets discovered the Silver or should I say Gold in the senior citizen segment many years before they were spotted in India.

Demographers tell us that we have around 130 million senior citizens in India, roughly 10 per cent of the overall population. This number is set to rise to 300+ million by the year 2050, almost 20 per cent of the total population. The growth in the number of elderly is being driven by increased life expectancy [moving from 68.35 to 75.9]. Interestingly, the gender ratio is highly skewed towards women [63:37] today and this may undergo some change in the next three decades.

The Aegon Retirement Readiness survey [2018] says that nearly 49 per cent of Indians are confident of their healthcare expenses after quitting full time work. Indians, the report says, top the "readiness to retire" index, 7.3 vs US (6.5). The Orb Media study that tracked attitude towards elderly across the world showed that there was no meaningful correlation between average GDP and respect towards the elderly. May be that explains the Indian "readiness" score.

There could be many factors helping the rise of the "Silver Generation" in India. For one many of them, at least in the upper- and upper-middle classes in urban India own the home they live in. The Agewell Foundation study puts the number at 70 per cent. This is a big contrast to the previous generation who may have lived in rented houses all their lives. Moving into their children's homes [mostly sons] when they retired. With that one big expense handled, they do have a lot more stability in their lives.

The second factor leading to readiness could be the bigger roles daughters are playing in the well-being of their ageing parents. If you are unhappy with



One of the factors leading to "readiness to retire" could be the bigger roles daughters are playing in the well-being of their ageing parents

your daughter-in-law, your daughter is more than happy to help you. So there is a Plan B, in case of trouble.

The "Silver Generation" today have managed to save enough to take care of their daily needs and the occasional treat. The more affluent are indeed splurging on multiple luxuries. I know of friends who have decided that they will holiday at least once a month in India and at least, once a quarter outside India. I suspect a large number of Indians cheering the Indian team in the ICC World Cup are the "Silver Generation" cohorts.

The growth in numbers and the growth in their affluence is opening new markets for products and services. There is of course the growth of managed care homes in key cities like Pune and Coimbatore. There is also going to be a boom in packaged tours for the Silver Generation. This has been a big market in countries like the US and Japan. We will start seeing this boom in India; I submit there will be multiple segments in this too. The ultra luxury, the mid-market and the economy travel segment.

Even products that could be classified as unmentionable such as adult

diapers are taking wings and beaming their messages on national television. The success of Saregama Carvaan is directly correlated to the rise of the "Silver Generation". I feel this is just the tip of the iceberg. We will soon start seeing other products being tailored for the Indian Silver Generation. Curated nutrition products are waiting to hit the mainstream and I think they will find ready takers. In fact, "Silver Generation" also need their own fashion labels, dresses that are easy to wear, easy to wash and great looking. Why should my aged mom be dressed only in a dowdy nightie? Why can't someone create a modified saree that can be worn by the elderly?

More and more ads on television and digital media will start presenting interesting products and services for the "Silver Generation". And then we can truly say that they are no longer 'Goli Khake Jeeta Hoon' but are the 'Masti Karke Hasta Hoon' generation.

*The author is an Independent Brand Strategist, Founder Brand-Building.com a Brand Advisory. He can be reached on ambtingp@brand-building.com*

## LETTERS

### Rahul's principles

In his letter, former Congress party president Rahul Gandhi has held on to his stated position that he is taking responsibility for his party's electoral debacle and not continuing as the Congress president. His refusal to nominate his successor goes to show his democratic credentials when he could have easily handpicked the next party president. He has left it to the party to decide.

It would be of immense symbolic significance if a Dalit becomes the next Congress president. Mallikarjun Kharge and Sushil Kumar Shinde are now talked of as the front-runners. Winning or losing an election is not a measure of whether what you represent and stand for is right or wrong. If the coming back of the Congress party did not happen, it was not Rahul's failure. The Hindutva card was successful in swaying the voters. Remember how Pragma Singh, who called Mahatma Gandhi's assassin a patriot, won with a huge margin in Bhopal?

Rahul Gandhi fought for principles and not for political power. At times, he stood alone to fight the Bharatiya Janata Party and Prime Minister Narendra Modi. He did it without hatred or anger. In fact, he had to fight the entire state machinery. That the set-back has not diminished the resolve to fight the divisive RSS ideology is worthy of a great leader. He is not stepping back from his fight for India's continued existence as a liberal, secular democracy.

G David Milton Maruthanchandran

### Give and take

Apropos Abhijit Lele and Raghu Mohan's report "Split wide open" (July 3), it is a good sign that Indian Banks' Association will have two separate wage agreements with the staff and officers of public sector banks (PSBs). The PSBs are perhaps the only setup in public sector undertakings where the staff and the officers join in wage negotiations and intermittent strikes together, to bring the work of banks to a standstill, thereby forcing managements to agree to their exorbitant demands. Giving the flexibility to individual banks to pay their employees is another plus point. It will promote a pay-for-results culture.

The article also brings out the deficiencies in the HR policies of PSBs. When the accountability of PSBs is fixed with the top management, this gap would also be bridged. In the 2015 settlement, though bank employees got a 15 per cent rise in wages and two Saturdays in a month off, the remaining days were reduced to half-day of work and there was no commitment to improve the financial health of the organisations. There should be real productivity bargaining this time in the spirit of give and take.

Y G Chouksey Pune

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## HAMBONE



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## A new-old approach

Survey skilfully marshals fresh arguments for timeless policy

In his first Economic Survey as India's chief economic advisor, K V Subramanian has successfully infused a conservative and well-understood set of recommendations with a novel, and even indigenous, air. On the surface, there may appear to be nothing remarkable about suggestions that the government focus on private investment, and those on re-invigorating exports and administrative reform. Such a view would, however, miss the point. The Survey has given these policy directions a new freshness and embedded them in a view of recent economic successes in India that will be persuasive to political decision-makers. And, further, Dr Subramanian has chosen to make these broad, overall recommendations in line with traditional growth strategies at a point when many voices in India and abroad are calling instead for a return to the days of "industrial strategy". The Survey has also clearly — and correctly — poked a hole in the conventional wisdom that India must rely on consumption-driven growth by putting investment, and particularly private investment, at the centre of its strategy. As a consequence, its strategy also must prioritise export growth — an implicit rebuke to the increasing protectionism visible in some recent actions of the Indian government.

Returning private, fixed investment to the highs of the mid-2000s is indeed a pre-requisite for a sustainable high-growth trajectory. However, this is not easy to manage, as the Survey recognises. An increase in investment has to be paid for with a corresponding increase in savings, unless the current account deficit were again to explode. But in recent years the private corporate sector has essentially closed its internal savings-investment gap; and it is the household sector, which includes small and unincorporated enterprises, that is the primary net saver of the economy. The problem is where this is going. Net borrowing by the public sector — the central and state governments' budgetary and off-budget borrowing — is estimated to have grown at an average of over 10 per cent a year since 2011-12. It is, at this point, no less than an identity: For private investment to recover, government dis-saving must be reduced. The government will have to spend less or raise more in revenue. An otherwise excellent argument in the Survey could have been improved by making this point.

A granular understanding of the reasons for the crisis in private investment underlies Dr Subramanian's choice of subjects in the Survey. For one, there is clearly continuing policy uncertainty in the Indian economy, in spite of there being the confidence provided by a stable government with a working majority. This must be addressed — the Survey suggests transparent, independent quality assurance of policy-making processes, but other possibilities exist. Legal and administrative reform, alongside the preservation of institutional independence, will also aid in decreasing policy uncertainty. Crucial also is the long-delayed question of judicial reform, which would make dispute settlement and contract enforcement in India less of a nightmare. Real interest rates are too high, and need to come down.

Regressive policy, which creates perverse incentives for companies and encourage them to stay small and inefficient, must be phased out, and replaced with preferences for newer rather than smaller enterprises — the Survey correctly points out that it is the former and not the latter that generate growth and jobs. Finally, the competitiveness of exporters must be a priority — measured through the average productivity of firms in the economy. This, of course, requires labour law reform, and the Survey makes this point clearly and concisely, embedding it in a defence of the outcomes produced by Rajasthan's labour reforms in 2014. The one missing piece is rupee depreciation. The Survey, in a footnote, argues that this is unnecessary to boost exports. But fixing an overvalued currency is the simplest and cheapest way to gain a competitive boost.

## Power for growth

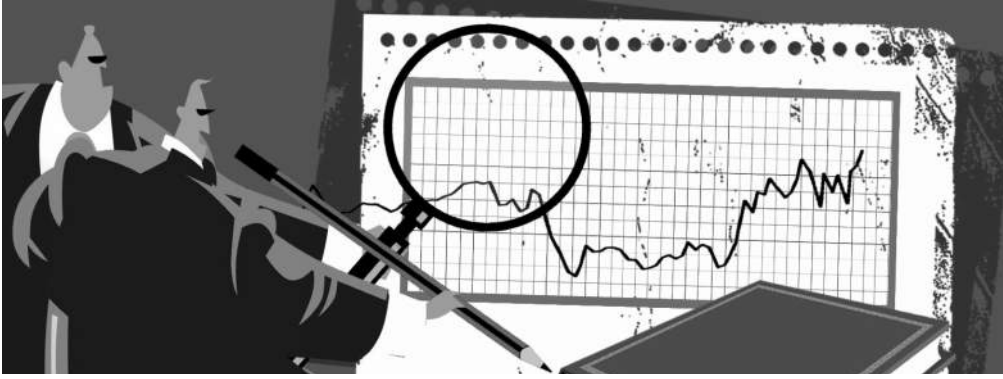
The weak state of discoms is a big risk

The government wants to provide uninterrupted power to all households, which is an important precondition for attaining sustainable higher growth. While continuous power supply would require more capacity, the weaker links in attaining this goal are the electricity distribution companies (discoms), which, with their weak finances, are often not in a position to pay power producers in time. To address this issue, the power ministry last week made it mandatory for discoms to open and maintain adequate letters of credit under power purchase agreements. The idea is to ensure security of payment to power producers. In theory, this will force discoms to make timely payments. In case they fail, power producers can encash the letter of credit. This would make life easier for generators and address the issue of liquidity on their part. Power producers pay in advance for fuel and its transportation.

Although the idea has merit, it will not solve the fundamental problem, at least in the short run. The basic issue here is that discoms do not generate enough revenue and are accumulating debt. In such a situation, it is possible that they might even find it difficult to offer letters of credit, leading to a reduction in demand and power cuts. A recent report by CRISIL showed that the aggregate external debt of state-owned discoms is likely to reach the pre-Ujwal Discom Assurance Yojana (UDAY) level of ₹2.6 trillion by the end of the current fiscal year. This is primarily because they did not pursue reforms as desired. For instance, the annual increase in tariffs has been just about 50 per cent of the target and the reduction of losses in supply remained below expectations. The real issue that needs to be addressed is the way discoms function. It is important to note that state governments may not be in a position to constantly assume discom debt due to the non-availability of fiscal space. Also, additional liability will affect their ability to make public investment.

The sector requires action at multiple levels. For instance, distribution companies should be encouraged to reduce supply losses and ensure that consumption is accounted for. This will require proper metering and improvement in distribution infrastructure. Further, discoms should be allowed to increase tariffs and states need to end the culture of excessive power subsidies. The poor can be protected through cash transfers, which can be done in a way that promotes conservation. To be sure, all this will not be easy as the problem is more political than financial. In this context, it will be important for the Centre to work with state governments to find longer-term solutions. It is now clear that simply taking over the debt of discoms does not work. It is time to depoliticise power, which will pave the way for tariff rationalisation and incentivise discoms to invest in infrastructure. Only then will instruments like the letter of credit have a meaningful impact. The weak state of discoms can not only impede an uninterrupted supply of power but is also a risk for economic growth.

ILLUSTRATION: BINAY SINHA



## A much-needed blueprint

The Economic Survey posits a clear development model to put India on a high-growth path

Over the last few years, particularly during the tenure of the previous Chief Economic Adviser (CEA) Arvind Subramanian, the Economic Survey (ES) morphed from an exhaustive — and often tedious — account of the economy's performance over the previous year into a more analytical and forward looking policy statement.

For one thing, it attempted to join the dots and draw the proverbial "big picture" pertaining to some of the critical contemporary economic issues. The notion of a balance sheet recession, for instance, and its ramifications for economic revival were first formalised in the ES in 2015-16. The 2014-15 ES provided a rationale for the efficiency and welfare gains from the interplay of basic bank accounts, biometric identification and mobile telephony (the so-called JAM trinity). The forward looking policy prescriptions included a workable model of Universal Basic Income, which underpins programmes like PM-KISAN, and the use of the Reserve Bank of India's balance sheet reserves to fund budget expenditures. Both of these were discussed first in the ES.

In his first ES, the new CEA Krishnamurthy Subramanian (KS) keeps this new avatar alive and well. At the very outset, he provides a blue-print to take India's GDP to \$5 trillion by 2024-25 and create employment alongside. His key advice is to abandon the way economists and policy-makers think — in terms of economies fundamentally being in equilibrium except when there is the odd shock — and switch

to a mode where there is constant disequilibrium with economies spiralling around in vicious or virtuous cycles.

All this somewhat bewildering new age econobabble translates into is a prescription for a sharp rise in investments (the "key driver" for the virtuous cycle) that create capacity and an expansion in exports to absorb this capacity. Investments, in KS's scheme, need not displace jobs but will improve labour productivity and make exports competitive. Besides, "when examined across the entire value chain, capital investment fosters job creation as the production of capital goods, research and development and supply chains generate jobs." In short, KS lays his bets on the Chinese growth model with some modifications.

Of course, all this has to be supported by complementary policies. Like other cheerleaders of the China paradigm, KS is a votary of scale and demonstrates that "dwarves" (firms that are old and small) are the biggest drag on the economy. Using data from other economies, he shows that young and relatively large companies have the highest potential to both "grow" and "employ" and, thus, the barriers to their growth have to be removed. This would mean both labour market reforms and phasing out incentives that encourage firms to remain small. The last bits of the growth jigsaw are high domestic savings, low cost of capital and a tax-regime that is both stable and encourages entrepreneurial risk-taking.

Critics could argue that it is difficult to repeat his-



ABHEEK BARUA

## Saving India's groundwater

Over 70 per cent of India's water comes from below the ground. India is, by far, the largest and fastest growing consumer of groundwater in the world. China and the US are in second and third positions, respectively, but India uses more than the two of them put together. Over the last four decades, around 84 per cent of the addition to irrigated area came from groundwater. Most of this was from deep drilling of tubewells or borewells, which are the single largest source of irrigation, as also drinking water, in both rural and urban India.

Tubewells, which were once seen as the solution to India's water problem, have tragically ended up becoming the main cause of the crisis. This is because we have indiscriminately drilled borewells without paying attention to aquifers, the rock formations within which our groundwater is stored. Much of India is underlain by hard rock formations, which have limited capacity to store groundwater and have very low rates of natural recharge. Once we extract water from them, it takes very long for water to regain its original level.

For decades, we have drilled aquifers at progressively greater depths, lowering water tables and water quality everywhere. Water quality is impacted because at certain depths we encounter deposits that gravely pollute groundwater. Official estimates indicate problems of high fluoride in 203 districts, iron in 206 districts and arsenic in 35 districts. Fluorosis is estimated to afflict 65 million and leads to crippling, skeletal problems and severe bone deformities. Arsenicosis affects around 10 million people and causes skin lesions and develops into cancer of lungs and the bladder. Overall, we have reached a situation where nearly 60 per cent of India's districts have either seriously fallen water tables or low groundwater quality or both.

It is also not often understood that perhaps the single most important cause of our peninsular rivers drying up is over-extraction of groundwater. After the rains stop, for these rivers to keep flowing, they need base-flows of groundwater. But when we over-extract

groundwater, the direction of these flows is reversed and "gaining" rivers get converted into "losing" rivers. In a similar way, in our mountainous regions, springs, which have historically been the main source of water of the population there, are drying up.

To understand how we can reverse this dire situation requires a careful reflection on the nature of groundwater and a recognition that it is a common-pool resource. By its very nature, it is a shared heritage. We can divide the land under which this water is located but we cannot divide the water, which moves in a fluid and fugitive manner, below the surface. Competitive, individual extraction leads to a mutually destructive cycle, where each user tries to out-do the others in drilling deeper and deeper, till the point — which is being reached in so many aquifers in India today — where virtually no groundwater is left.

How then can we protect and continue to use arguably India's single most important natural resource without driving it to extinction? Can we save the goose that lays the golden egg? One commonly proposed solution is to meter and license the use of groundwater. While this might make sense for the few very large consumers, such as industrial units, it would be impossible to implement on a large-scale, bearing in mind that we have more than 30 million wells and tubewells in India.

Fortunately for us, there are a few examples, which show the way forward. A million farmers in the hard rock districts of Andhra Pradesh have come together to demonstrate how we can use groundwater in an equitable and sustainable manner. Of course, this initiative required a strong mooring in both science and social mobilisation. With the co-operation of hydrogeologists and civil society organisations, facilitated by the government, these farmers clearly understood the nature of their aquifers and the kinds of crops that could be grown with the groundwater they had. Careful crop-water budgeting enabled them to switch to less water-intensive crops, more suited to their specific agro-ecology. Such examples have mushroomed all over India, especially in Maharashtra, Madhya



### WATER: REFORM OR PERISH

MIHIR SHAH

## More than a grave



### BOOK REVIEW

PARTHA BASU

The problem with writing something new about historical personages, more than events, is always going to be to decide what really needs to be said anew; in other words what fresh insights could be presented to add value to what has gone before.

Needless to say, Timeri Murari does not lack for knowledge on his subject; some years ago, he wrote a well-received novel, *Taj: A Story of Mughal India*, and saw the need to pen a captivating prequel to the Shah Jahan and Mumtaz Mahal

story that culminated in the building of the iconic mausoleum. Having learnt quite a bit about the Mughals from his earlier research, he wouldn't have looked further than launching a search for Mumtaz Mahal's initial burial site where she lay for six months before her body was disinterred on her grieving husband's orders and shifted to Agra to await the building of her final, peerless, resting place across the Yamuna. Lending his narrative its almost mystic quality would be the fact that the grave in question was clouded in obscurity.

Popular belief had it that the Empress, having travelled constantly by the side of her husband on all his forays into the Deccan to do battle with the enemies of the dynasty, died, all of 38 years, giving birth to her 14th child after a supposedly tortured pregnancy. A number of forts and palaces she visited on her travels were marked by the birth of one

or more of her children, and the erotic bonding with her husband was never diminished by the physical tribulations of this most fecund woman. Though Shah Jahan took another wife, a political manoeuvre at best, and had the most desirable women in his kingdom to attend to him, his longing for Mumtaz burned till the very end of her life, and indeed of his. No doubt, the story had a poignant core, but whether it had enough in it to sustain a full-blown novel was a moot point. Mr Murari's book makes no effort to examine or analyse the intensely personal aspects of their relationship and how it could have affected, for better or for worse, the convoluted politics of the Mughal court.

No woman in Mughal history captured so comprehensively her husband's passion and his loyalty; history also records the prime contribution of her seven surviving children in shaping the passage of the Mughal dynasty and yet Mumtaz, unlike her Machiavellian aunt Nur Jahan, preferred to remain in the political penumbra. Mr Murari's prime

objective remains the burial site. But is it sufficient to write only about an unadorned grave in a town now relegated to being a largish dot on India's map, particularly as history tells us of its impermanence? I would think that it would have been more relevant in his search for Mumtaz Mahal to rediscover the many forts and palaces that the young Empress, almost always heavily pregnant, visited other than the fabled and legend-encrusted ramparts and pavilions of Mandu, Ranthambore and Asigarh. On the other hand, Mumtaz Mahal's life, unlike her aunt Nur Jahan's, is very sparsely documented, and the writer would have his work cut out for him because his only sources

would have been the locals who knew these places, but whose material was often unreliable. As a matter of fact, as Mr Murari himself notices, the information about these places comes mainly

from unreliable guide books and from often indecipherable signage mounted at the entrance to the property by the Archeological Survey of India.

Mr Murari understands all this and makes a choice. He knows that he has not made any promises to his readers in terms of guiding them to Mumtaz

Mahal's burial site in Buhranpur because he, more than his readers, will probably know what to find once he gets there. So, like the proverbial clued-up tour guide, he decides to make the journey more interesting than the destination. This, in short, means that as he takes off from Madras (now Chennai) with his blonde wife and pushy sister, and meanders upwards

and northwards cutting across state boundaries, and in and out of towns and cities, at the mercy of Indian rail and road transport and tricky officialdom and antique sellers and guides. India

becomes more prominent than the Empress.

The grave turns out to be placed within a spare high-walled enclosure on the riverbank opposite to where Mr Murari stands and he observes it receding into the gathering early evening darkness. His companions sense that this is his quest and allow him his space; he crosses over the shallow part of the river to the site of the grave but he carries no sense of disappointment with him because it's not the structure that is important but the place where this extraordinary Empress of Mughal India breathed her last.

Perhaps Mr Murari realises then that rediscovering his India has been actually more relevant than finding Mumtaz Mahal's first grave.

### EMPRESS OF THE TAJ: In Search of Mumtaz Mahal

Timeri N Murari

Speaking Tiger

240 pages; ₹350

Pradesh, Kutch and Sikkim. All of them are based on collective action by farmers, who come together to jointly manage their precious shared resource. They develop protocols for pumping of water, sequencing of water use, distance norms between wells and tubewells and strictly adhere to them once they understand that this is the only way they can manage to meet both their farm and domestic requirements.

Of course, taking these innovations to scale requires massive support from government. Paradoxically, as groundwater has become more and more important, groundwater departments, at the Centre and in all states, have only become weaker over time. We need to urgently reverse this trend, strengthening state capacities in a multi-disciplinary manner. The 12th Plan saw the initiation of the National Aquifer Management Programme and the NDA government subsequently launched the Atal Bhujal Yojana. Both of these are pioneering initiatives, the likes of which the world has never seen before. However, they have failed to take off primarily because the requisite multi-disciplinary capacities are missing within government. But also because they cannot be implemented by government alone. They demand a large network of partnerships with stakeholders, across the board: universities, research centres, panchayati paj institutions and urban local bodies, civil society organisations, industry, and the people themselves.

At the same time, we need profound changes in the structure of incentives to support farmers in moving towards less water-intensive crops, which were elaborated in the first article in this column. We also need to break the groundwater-energy nexus that has only encouraged the mining of groundwater. The Jyotigram Yojana of Gujarat shows the way forward here through the separation of power feeders. This needs to be urgently implemented through the length and breadth of India. We also need to replace archaic British law, which has only helped in the destruction of India's groundwater, as I will explain in the last article in this column.

The writer is Distinguished Professor, Shiv Nadar University and former Member, Planning Commission, Government of India. Every fortnight, he will outline multiple dimensions of long overdue reforms in the water sector



RationalExpectations

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# India needs an Agriculture Budget

Giving farmers market prices will boost GDP; it is also possible to fix problems like water scarcity and double farm incomes

**THOUGH FINANCE MINISTER** Nirmala Sitharaman has to deal with all manner of issues in her maiden budget, from stimulating consumer demand to reviving flagging investment sentiments, perhaps the most important sector for her to focus on is agriculture; not just in terms of increased outlays for irrigation or MNREGA, but in terms of broad policy direction.

One clear direction, set out by prime minister Narendra Modi before the elections, is PM Kisan where each family gets ₹6,000 per year; after PM Kisan was extended to more farmers, it will cost around ₹85,000 crore. Ideally, the budget should double or triple this direct cash transfer and, simultaneously, reduce subsidies on fertiliser or agriculture loans since these are, by and large, used by richer farmers.

The government spends around ₹170,000-180,000 crore each year on FCI procurement at the Minimum Support Price (MSP); buying at MSP raises farmer incomes and the grain purchased meets demand from ration shops. Ideally, the budget should indicate a dramatic shift from this, with a timeline to reducing FCI's operations to the minimum. Given the ₹20-25 per kg difference in market- and ration-prices of wheat and rice, even the Food Security Act's excessive 5kg- per- person- per-month will cost ₹96,000-120,000 crore. This ₹70,000 crore saving can be given to farmers in lieu of scrapping MSPs which, at best, benefit 20-25% of farmers, and mostly rich ones. Selling FCI's excess food stocks can fetch the FM ₹100,000 crore.

While NITI Aayog is pushing a Price Deficiency Payments (PDP) in place of MSP, this is a bad idea even though PDP means winding down the MSP system; to that extent, it cuts FCI's inefficiency costs. But PDP is open to large abuse. Under PDP, all farmers will register their cropping details with the government (*bit.ly/2Lt0rC0*) and, at the end of the season, they will be paid the difference between the market price and the MSP for their crop. While this amount will be much lower than the MSP—the MSP could be ₹100 while the gap between it and the market price could be ₹10 or 20—it will have to be given for all the produce while the MSP, by definition, is paid only to the produce that is brought to the market and sold to government agencies. And, to the extent traders know the government is paying a PDP, there is nothing to stop them from colluding to further depress market prices.

What of the PM's plans to double farmer income; how will this happen if subsidies like on fertiliser and interest subvention or the MSP are scrapped? On average, each farm household earns around ₹10,000 per month, so they need around ₹1.2 lakh more per year to double their incomes. Icrier professor Ashok Gulati (*bit.ly/2Xidf7fj*) points out that, if solar panels are installed at a height of 15-20 feet in fields, this does not have a negative impact on crop growth—in which case, farmers can earn from 1-2 crops a year, as they do now, along with earning from solar power. To the extent this solar power replaces diesel for pumping water, farmer costs also fall. The budget then needs to fund the farmer's capital costs for solar panels—tax relief for solar-power firms or a capital subsidy perhaps—and ensure the solar power produced is mandatorily purchased by electricity boards; this is the law anyway, but it has to be enforced.

The budget, similarly, should have a subsidy for water-stressed areas, like Punjab, to ensure farmers move away from, for instance, water-guzzling rice to corn which uses around a fifth of the water rice does. This corn can be used to produce ethanol and while the extract is still good protein-rich feed for poultry/cattle, at ₹55-60 or so per litre of ethanol, that's a lot of money for farmers. The budget, then, needs to give incentives to industry that produces corn-based starch, poultry- and animal-feed, etc, and it is vital to ensure—with the oil ministry's cooperation—that oil marketing firms buy all the ethanol produced; blends of upto 15% with petrol require no change in engines of cars/two-wheelers. If farmers still earn less than they did from rice, a direct subsidy must be given to fund the difference. Indeed, the ₹6,000-7,000 crore of electricity subsidy that the Punjab government gives to farmers to pump up water can also be saved, apart from solving the state's water crisis. Since eastern India is flush with water, growing rice there is, in any case, a better solution—India's water crisis cannot, it is vital to keep in mind, be fixed if agriculture keeps guzzling water.

Indeed, along with the solar solution, the government should encourage sugarcane cultivation in eastern UP and Bihar. Water availability is not an issue here and frequent floods will also regenerate the water table. Once again, the key here is ensuring ethanol purchases since, at the current levels of ₹55-60 per liter fixed by the government, ethanol production is as lucrative as sugar, perhaps even more so. It is critical to ensure that GST levels remain the same 5% on ethanol since, if this is taxed at the same level as petrol, oil marketing firms have no incentive to buy ethanol.

And, if the government can free up agriculture markets, as the Icrier-OECD study points out, farmers can get around ₹2.5 lakh crore extra per year for their produce. In other words, the FM will do well to use the budget to indicate the government's new policy and, wherever needed, make the necessary fiscal allocations or policy changes to facilitate the change.

HitWICKET

The BJP failing to act against Akash Vijayavargiya, despite the PM's rebuke, shows the party in poor light

**THINGS CAME TO** such a pass at the ruling party, the BJP, that PM Modi himself had to admonish party-leaders over the Akash Vijayavargiya incident, saying action must be taken, no matter whose son he (or those BJP workers who celebrated with gunfire the young MLA getting bail in a case of assault of a public official) was. Vijayavargiya insists his assault of the Indore Municipal Corporation officer was "in public interest". But, even if that should eventually prove true, what he—clearly also his party, which has not taken action against him so far—has failed to appreciate is that the people's mandate is not permission to take law and order into one's hands. The assault not only reflects a broader disrespect for administration, but considering it is the BJP that controls the Indore corporation, it should have seemed to the BJP as distrust in its leadership. Instead, party functionaries threw a hero's welcome upon Vijayavargiya's release on bail.

The local BJP unit, and indeed, the party leadership is likely to wait for the controversy to die down; hence, the eyewash of a disciplinary committee inquiry. Indeed, if the party were serious, it would have at least bothered to put Vijayavargiya under suspension while the inquiry proceeded, but no such thing has been done. Worse, Vijayavargiya's father, Kailash Vijayavargiya, a national general secretary of the party, initially shut down criticism of the assault in the media and later downplayed the incident. PM Modi was right to condemn the act, given how it is an assault on the governance structure of India. If the BJP leadership still buries its head in the sand, it would have helped erode the average Indian's faith in government and governance.

## Even agriculture trumps the unorganised sector

**THE CURRENT DIS-COURSE** on economy from demand side largely revolves around the analysis of gross domestic product (GDP) and its components, namely consumption, government expenditure and investment. Similarly, from supply side, it revolves around gross value added (GVA) and its components, namely agriculture, industry and services. However, much less attention has been paid to the analysis of national income as it accrues and gets distributed across labour and capital. An analysis of national income on these lines can provide an insight into the evolving wage and wealth income, and its concomitant impact on income inequality.

An IMF working paper shows that the share of labour in the national income in advanced economies is trending down since 1975. It reached its lowest level (50%) before the global financial crisis of 2008 and has not recovered significantly since then. Although reasons behind the decline in share of labour in national income are still not well-understood, authors of this paper state that, in advanced economies, it is attributed to the rapid advance of technology, and the globalisation of trade and capital. These two factors have led to steep decline in the relative price of investment goods which has lowered firms' cost of capital and, in turn, given them incentive to replace labour with capital. Even as the reasons behind the decline in share of labour in national income of advanced economies are being studied, this decline has not only harmed consumption demand growth but has also translated into a backlash against outward looking trade policies in these economies.

Interestingly, the situation in India is different. The Central Statistics Office (CSO) provides GVA data as per four different components, namely (i) production taxes less production subsidies, (ii)

SUNIL K SINHA & DEVENDRA K PANT

Sinha is principal economist, & Pant is chief economist, India Ratings and Research  
Views are personal

consumption of fixed capital, (iii) compensation to employees, and (iv) operating surplus/mixed income both by production sector and institutions. A reorganisation of this data gives us a glimpse into the distribution of national income across the two key factors of production—labour and capital. Of the four components of GVA, only compensation to employees accrues to labour; the other three accrue to the owner of capital (including land). In case of private corporations, salaries of family labour are included in the compensation of employees. In case of households, though, it is clubbed with the operating surplus and is reported as mixed income.

A study of the data spanning FY12-FY17 shows that of the total income generated in the economy, nearly one-third accrues to labour and two-thirds to capital. This distribution has been fairly stable over this period despite wages and return on capital growing at a CAGR of 12% and 10.9% respectively.

Data at the disaggregated level presents a mixed picture. Let us first look at the sectoral classification. At the sectoral level, industry witnessed returns on capital grow faster than wages. Does this mean industrial production is becoming capital intensive and shedding labour? Or is it that wages are growing slower than labour productivity? The answer to these questions will require much more detailed work. However, since growth both in wages and return on capital across the sector classification was lowest in the industrial sector, it is a pointer that

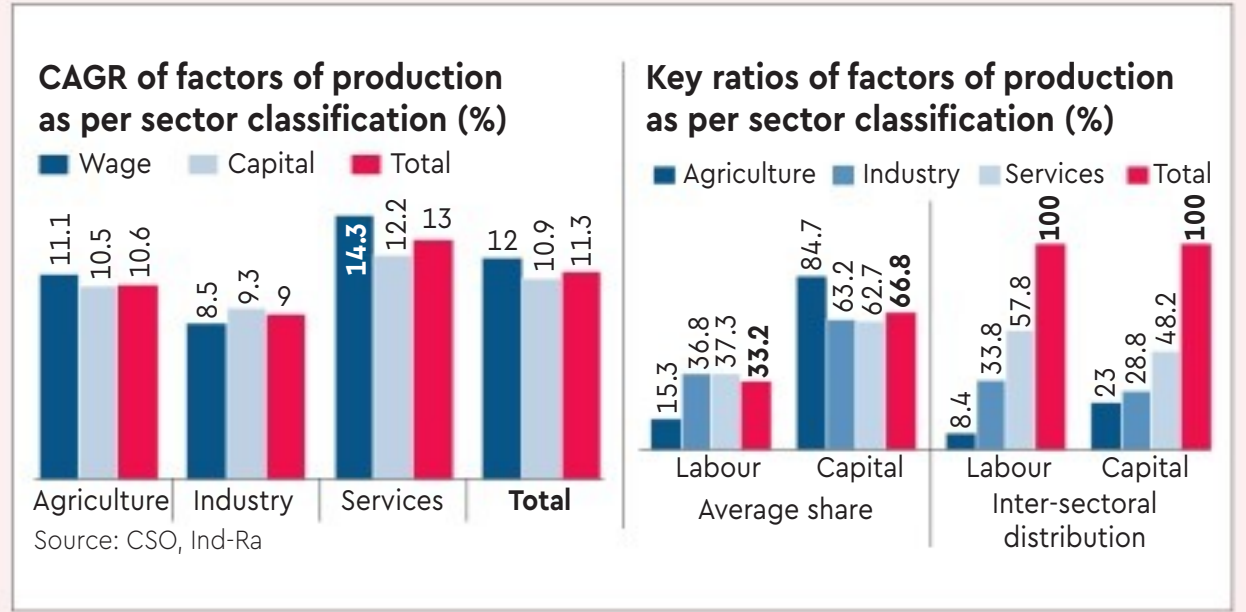
industrial sector needs to improve both its efficiency and productivity.

In case of agriculture, despite share of wages growing at a CAGR of 11.1% during FY12-FY17, the labour received only 15.3% of the income, and the remaining 84.7% accrued to the owners of the capital. Also, while agriculture contributed 18.2% to the total income generated in the economy, wages in agriculture accounted only 8.4% of the total wages in the economy and only 2.78% of the GVA during this period. This translates into annual average wages of ₹21,060 per agricultural labourer per annum (assuming the number of agricultural wage earners remains the same) which is even lower than the official poverty line.

At an institutional level classification, the wage growth of households (this includes unorganised/unregistered enterprises) was the slowest (7.7%) and that of private corporations

was the fastest (16.0%) during FY12-FY17. This means that the wage earners from the household sector, whose wages are generally low, also witnessed relatively lower wage growth during FY12-FY17, indicating that the wage gap between unorganised/unregistered enterprises and organised enterprises is widening. The plight of wage earners in the household sector, who account for 44.5% of the income in the economy but receive only 26.4% of the total wage, is quite similar to that of agricultural wage earners. A further breakdown of households by production sector reveals that during FY12-FY17, the wage growth, at 5.8%, of workers classified under households and working in industrial sector is even lower than the wage growth, at 9.7%, of the workers classified under households and working in agriculture sector.

Some of the takeaways from the foregoing analysis are: (i) an income transfer programme to alleviate agricultural distress will not be meaningful as long as it does not include agricultural labourers; (ii) the low wage growth of unorganised/unregistered enterprises is a matter of concern; and (iii) a much higher proportion of the incremental public sector income is accruing to public sector employees than to the public sector capital.



## Budget must focus on data democracy

User data doesn't just "belong" to the user, instead it is an extension of the user's self; India can establish the world's first data democracy

IF IT WAS

not for the railways, we would not agree on what time it is. For the most part of human existence, time was a local phenomenon. Noon was benchmarked to the time the sun was right above you and shadows were the shortest. Everyone else in your village, hamlet or town then maintained their watches accordingly. As long as you and your neighbour agreed on when 9 o'clock is, it didn't matter if the next village or the one across the country agreed with you too.

Things were generally fine, until the railways came along. The railways were a network that cut across many of these time fiefdoms. Imagine a train timetable that needed to account for local time in every stop it made. The complexity and inefficiency of the problem led Charles F Dowd, a school teacher, to come up with what we now call "time-zones" in 1863. Privately-owned railway corporations adopted Dowd's plan in 1883. The US government only formally adopted the Standard Time Act in 1918. By then, the railways had gotten everyone used to the idea of standard time anyway.

The internet is often compared to the railways. Usually, to draw attention to the tremendous power internet giants have over the economy, just as railway companies of the late 19th century had. That lesson is important, but it isn't the only one. The connectedness that railways brought about changed lives in profound ways. It solved many problems, but also created problems that a newly connected society didn't know it had yet—like what do we do about time? Standardising time, a radical idea in the 1860s, made many other technologies possible, like studying global weather. Who could have predicted that a US railways innovation from 1883 would save 1.2 million lives in Odisha in 2019?

The internet is a network that cuts

TANUJ BHOJWANI

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Views are personal

across both space and time. Every year, technologies and businesses built on top of the internet disrupt industries and our way of life. Cars become self-driven, homes, cities and even microwaves become "smart" and reality is becoming "augmented", if not entirely "virtual". For the last 30 years, and for the next 30 years at least, digital technologies remain the biggest economic opportunity that we can be sure of. If we are really planning to grow fast enough to become a \$5 trillion economy in 5 years, ignoring the internet would be a foolish thing to do.

The problems for railways started when people realised that those who control the tracks, control the future of many adjacent industries. Everyone agreed that immense value was being created, but they disagreed on how it was being distributed. Six railway companies in the US owned or controlled 90% of the market for anthracite coal, and made it difficult for independent coal companies to move their product. Whereas once the railway barons laid tracks to build their empires, today, the internet barons collect your data.

The primary mechanism of disruption for the internet and the railways is the same: they don't make the world smaller, they make markets larger. Efficient and reliable coordination over large populations is possible on scales it wasn't before. The internet grew up in a mostly lawless, data-guzzling, winner-take-all kind of environment. Today, the world is waking up to the fact that our hyper-connected society has a new problem: What do we do about data?

If data is the new oil, why do we give it away so freely? Comparing data to a tradeable commodity is a huge disservice. It legitimises the capture of our data by others because we got some service for free in return. The more pro-

dent analogy would be to say that our data is our vote. Our vote is protected by the law. We should be able to give it to whom we want, and if we aren't satisfied, we remain free to give it to someone else. The Constitution guarantees the freedom, security and privacy of the citizens to exercise their vote without fear.

By recognising that user data doesn't just "belong" to the user, instead it is an extension of the user's self, India can establish the world's first data democracy. This isn't simply a legal right, it has important economic implications as well. When users are in charge of their data, they get to decide whom to give it to, why and in return for what. This means, that a rural *kirana* store owner uses her phone records, currently locked up by telcos, to get better loans. This means that a farmer can show his track record, currently locked up by *patuwaris*, to prove that his insurance claim is genuine. Instead of data being used by those who captured it, we make sure data empowers our users.

On this Friday, when the new government rolls out its first budget, we hope that we see commitments towards shaping a data democracy. The government needs to recognise that creating one involves more than installing wi-fi in trains, or launching apps for e-governance. We need to encourage the creation of more digital platforms as public goods, and give citizens control over the data about them within the government. In fact, if we encourage citizens to join the current structure of the internet, without laying out a framework on data, we risk jeopardising their ability to partake of the prosperity that the internet creates from their data. If we don't decide that now is the time for a data democracy, the internet, just like the railways before it, will decide for us what time it is.

## LETTERS TO THE EDITOR

**Bedi's acerbic comments**

Puduchery Lieutenant Governor Kiran Bedi's acerbic comments blaming the people and the political class of Tamil Nadu for the crippling water crisis presently engulfing the state has, as expected, invited sharper rebuttals from parties across the political spectrum in the state. She may be right in attributing blame for the water scarcity to the Tamilian populace and government, but the language she deployed to articulate her views is undesirable. As a constitutional functionary, Bedi should have exercised restraint and refrained from making such unwarranted remarks about the people and government of another state. Bedi's dubbing of the Tamil people as cowards and selfish is unbecoming of the coveted constitutional post she holds now.

— M Jeyaram, Sholavandan

**Indian IT coping well**

Curbs on H-1B visa are not new. They came into prominence in 2010-11 as a dipping US economy impacted jobs under Obama. If it was out of necessity then, Trump now uses it for vote banks. Through the last decade, Indian IT has had to wrestle as much with rapid change in technological environs as with visa curbs. Thus, value creation became a recurring IT issue and a priority. IT departments realise that they must focus on improving service to the user and to departmental needs, outsource non-essentials and focus on value creation. Even small or mid-sized firms need to go on the cloud for standardised services. Leading Indian IT firms are diversifying products and showcasing pioneering ideas in blockchain, and artificial intelligence to clients, using innovation hubs, research and development centres, for differentiated offerings.

— Janaki Narayanan, Navi Mumbai

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THE MSME SECTOR contributes 30% to GDP; India is aiming to increase this share to 50% of GDP. MSMEs are vital in generating employment, output and exports, as this sector contributes one-third to India's manufacturing output and 45% to exports. According to a recent CII survey, MSMEs are the second-largest employment generator after agriculture, by engaging 12 crore persons. There are 6.34 crore units contributing around 24% to the services GDP. However, the sector has been facing a number of challenges—from accessing credit to marketing—and more so after demonetisation and GST. In this context, the RBI report headed by former SEBI chairman UK Sinha is timely and comes up with recommendations that are necessary and implementable.

MSMEs registered annual growth rate of 4.35% during 2006-15 (from 3.618 crore in 2006-07 to 5.105 crore in 2014-15). During September 2015 to July 2018, 48.4 lakh MSME units were registered on the Udyog Aadhaar Memorandum (UAM) portal. The sector has advantages in realisation of inclusive growth agenda of India as one-fifth of MSMEs are residing in rural areas. Besides, the start-up community is growing rapidly—India is now the third-biggest start-up hub in the world—and providing a platform to MSMEs to access a larger market base. Today, India has around 7,200 start-ups, including 1,200 start-ups that came up in 2018 only. They have created 40,000 new direct jobs and are robust in accessing finance as these start-ups saw a 108% growth in total funding during 2017-18. City-based start-ups connect local SMEs and in many ways address the problems of MSMEs relating to product standardisation and market access.

Although MSMEs are the backbone of the economy, they suffer from access to finance, apart from low scale, technology, branding, competition, etc. At aggregate level, credit growth plunged in the recent years, reaching 5.1% in FY17, the lowest in last six decades. Moreover, bank credit remains skewed towards large enterprises as only around one-fourth of bank credit (₹14.8 lakh crore, of the total ₹62.3 lakh crore) goes to the MSME sector. This highlights the potential of the MSME sector as it receives one-fifth of bank credit but contributes one-third of manufacturing output with large employment opportunities. As per a CIBIL report, mid and large corporate segment held the biggest share of the overall credit at about 43%, with an exposure of ₹47.5 lakh crore. The contribution of public sector banks in the MSME sector lending has declined by 19% during 2013-18, and touched around 40%, implying that MSMEs have to explore other avenues for meeting their credit requirements. Moreover, 'new to credit' (NTC) borrowers entering the formal credit sector have accelerated from approximately 2.7 lakh in the first half of 2016 to 5.2 lakh in the first half of 2018. This indicates the rising pressure to enhance the lending environment for MSMEs.



ILLUSTRATION: ROHNIT PHORE

PRAVAKAR SAHOO & ASHWANI BISHNOI

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● UNION BUDGET

# Why MSME sector must be the priority

We can certainly get back to 8% growth and create enough jobs provided we strengthen our MSME sector. The RBI report on MSMEs is timely and the Union Budget should focus on its important recommendations

ronment for MSMEs. The sector also experienced an increase in NPAs—from 7.3% to 9% during 2013-18.

In this context, the recommendations of the RBI committee to create a ₹5,000 crore corpus, the Distressed Asset Fund (DAF), to assist MSME units in clusters

where a change in the external environment led to a large number of MSMEs becoming NPA are important. Also, recommendations to move towards cash flow-based lending and revisiting collateral-free loan limit from ₹10 lakh to ₹20 lakh are useful. To reduce the credit gap,

a new intermediary, i.e. loan service provider (LSP)—an agent of the borrowers—is a welcome proposal. Most of the cluster development initiatives are funded by public sector agencies. Private sector contribution should be enhanced through debt instruments like bonds, CDs, etc, with tax incentives through SIDBI. The committee also recommends strengthening of the MSME Export Promotion Council and a national (and state-level) council as a special purpose vehicle for crowd funding of MSMEs. A government-sponsored Fund of Funds (FoF) to support VC/PE firms to invest in the MSME sector should be in place. Considering their vulnerability and size, Insolvency Code/out-of-court assistance to MSMEs that are mainly proprietorships, such as mediation, debt counselling, financial education, etc. The government should provide insurance coverage to MSME employees such as coverage under Ayushman Bharat-PMJAY to cope with natural calamities. All these proposals, which are doable, will strengthen the financial position of MSMEs.

Some recommendations to improve accountability, transparency and efficiency in lending and its uses are (1) online due diligence and appraisals of MSME loan proposals by banks using data available from sources, including GSTN, Income Tax, Credit Bureaus, Fraud Registry, etc, and (2) bringing all credit guarantee schemes under the purview of regulation and supervision of RBI.

RBI has some recommendations for more efficient functioning of MSMEs. These include moving away from investment volume to a turnover-based definition, 25% mandatory procurement by PSUs from MSMEs, and creating a unique enterprise identifier (ETI) for procurement, availing benefits, etc. Currently, MSMEs have to do multiple registrations with many entities such as Udyog Aadhaar portal, GSTN, NSIC, etc. Successful Indian start-ups within the country and those that are moving outside due to enabling environment, encompassing tax concessions, well-developed infrastructure, ease of doing business, exit policy, etc, should be retained with suitable financial and non-financial incentives.

The government should also facilitate collaboration between MSME clusters and companies/universities offering innovation infrastructure, R&D institutions, etc, in a specific industry or knowledge area. This is because MSME clusters are not properly equipped in areas such as tool rooms, innovation centres, testing facility, etc. The recommendation to build networks of service providers to offer expertise to MSMEs by giving them customised solutions in areas such as technology, product development and marketing techniques will create an enabling environment for MSMEs.

We can get back to 8% growth and create enough jobs if we strengthen our MSME sector. The RBI report on MSMEs is timely and the Union Budget should focus on its recommendations.

● TRANSFER PRICING

# Raise threshold for compliance

JITENDRA JAIN

The author is executive director, Transfer Pricing, PwC India

Remove compliance for non-residents, rationalise safe harbour rules

TRANSFER PRICING IS ONE OF the most litigious areas in India. This litigation will intensify with the availability of more information with tax administrators in view of the alignment of Indian transfer pricing requirements with OECD/G20 Base Erosion and Profit Shifting project. These requirements provide administrators an opportunity to understand taxpayers' business and conduct transfer pricing assessment.

The government introduced measures to ease compliance burden and make transfer pricing environment non-adversarial. These include rationalisation of safe harbour rules, risk-based selection of cases for scrutiny and advance pricing agreement roll-back provisions. The upcoming Budget is an opportune time to highlight measures that can further ease the compliance burden and reduce litigation.

**Increase threshold for compliance:** Taxpayers with international related party transactions exceeding ₹1 crore are required to maintain detailed transfer pricing documentation. This threshold limit is low and has not been revisited since FY02, when regulations were introduced. Increasing the threshold will contribute towards reducing the compliance burden on small taxpayers. It would not be out of place to highlight that China prescribes a threshold of ₹40-200 crore, depending on the nature of the transaction.

**Remove compliance for non-residents:** Transfer pricing provisions require compliance by a non-resident if it derives taxable income from transactions with its related party in India despite the Indian related party undertaking compliance for the same transaction. This leads to duplication of efforts. Non-residents should be excluded from the ambit of transfer pricing compliance in India, provided its Indian related party has undertaken the compliance with respect to same international transactions.

**Remove certification requirement:** Taxpayers entering into related party transactions are required to prepare a transfer pricing disclosure form and get the same certified by an accountant. This requirement should be done away with. If the idea of obtaining such a certificate is to ensure that the taxpayer doesn't miss reporting a reportable transaction, the existing penalty of 2% of the value of the undisclosed transaction should act as an adequate deterrent for taxpayers. While several countries have the requirement of filing a detailed disclosure form, only a handful (Argentina, Saudi Arabia, etc) require taxpayers to obtain such a certificate.

**Rationalise secondary adjustment provisions:** It requires the overseas related party to repatriate the amount of transfer pricing adjustment to the Indian entity and also reflect the adjustment in the book of accounts. If such an amount is not repatriated to India, it is treated as an advance and interest is levied thereon. This is also called constructive loan approach. This creates an issue when the foreign entity faces regulatory hurdles in repatriating the money or where it does not acknowledge the adjustment. In such cases, the interest on the adjustment could be levied till perpetuity.

Many countries that follow the concept of secondary adjustment follow the constructive dividend approach—a one-time event whereby the transfer pricing adjustment is treated as deemed dividend. This is unlike the constructive loan approach, whereby the deemed loan may remain in place for many years or even indefinitely, if not acknowledged by the related party. There is a need for India to shift to the constructive dividend approach.

**Rationalisation of safe harbour rules:** These were introduced in 2013 and were rationalised in 2017. These rules offered taxpayers an alternative to transfer pricing audits, if they declared profits as specified. While these have been rationalised, there is room for increasing the threshold for eligibility of safe harbour for specified services, which is at ₹200 crore currently. Further, the margin for specified services should be moderated in line with the margins concluded in the APA proceedings.

Vincent van Gogh said: Great things are not done by impulse, but by a series of small things brought together. Most recommendations made above do not require major changes existing provisions and instead just involve fine-tuning. These changes will go a long way in easing the transfer pricing compliance burden and minimising disputes.

The Budget is the time to highlight measures that can further ease the compliance burden, reduce litigation

by an accountant. This requirement should be done away with. If the idea of obtaining such a certificate is to ensure that the taxpayer doesn't miss reporting a reportable transaction, the existing penalty of 2% of the value of the undisclosed transaction should act as an adequate deterrent for taxpayers. While several countries have the requirement of filing a detailed disclosure form, only a handful (Argentina, Saudi Arabia, etc) require taxpayers to obtain such a certificate.

## BASANT KUMAR BIRLA (1921-2019)

# A tall business leader, a great philanthropist



HARSHAVARDHAN NEOTIA

The author is chairman, Ambuja Neotia

**SHRI BASANT KUMAR BIRLA** was a colossus in the business firmament of our country. In his passing away we have not just lost a tall business leader, but also a great philanthropist. He had nurtured and set up many institutions in the field of education and culture that are centres of excellence today. He together with his wife late Sarala Birla were great patron of arts and actively supported and promoted the rich artistic and cultural traditions of our country.

On a personal note, I have had the great privilege and pleasure of interacting with

him on several occasions. Our families were closely known to each other and I would often accompany my late uncle Suresh Neotia when he went to visit BK Babu—who was a great disciplinarian and very punctual, and I remember we had to be particular to be there absolutely at the appointed hour. BK Babu was soft-spoken and kind-hearted, and had a curious bent of mind. In spite of the fact that our businesses were very small compared to the vast empire he presided over, he would often ask fairly detailed questions on the working of our business. This clearly gave me an insight into a man who was always curious to know more, and to learn.

I have had the privilege of receiving his affection and blessings from ever since I can remember, and indeed they will remain cherished memories.

He was fond of music, and at the annual Gulab Bari concert in the lawns of our house, he would make it a point to come, even if it was for a short period of time.

He maintained high personal discipline. His diet was frugal and simple, and he was very particular about the timing of his eating, resting and walking.

I pray to Almighty that his soul may rest in peace.

He will remain a great source of inspiration to his various well-wishers and admirers. He leaves behind a rich legacy that is more than ably steered forward by his accomplished and celebrated grandson Kumar Mangalam Birla, and his two enterprising daughters, Jayashree ji and Manjushree ji, both of whom are actively involved in family businesses and philanthropic activities.

AN INDUSTRIAL STRATEGY in India will benefit from the country utilising its mineral potential. According to a FICCI report, every 1% increase in the growth rate of mining and quarrying leads to an increase of 1.2-1.4% in the growth rate of industrial production. Yet India has lacked an industrial policy since 1991, with the result that manufacturing's share of GDP has stagnated at 16% since then, and its share in employment fell from 12.8% in 2012 to 11.5% in 2016 (while NSSO PLFS 2017-18 shows no increase).

India has a lot of potential for discovery of minerals as the continental land-mass and its offshore consists of several crustal elements going back ages. India is blessed with ample resources of a number of minerals and has the geological environment for many others, but currently mining accounts only for around 2% of GDP. Extraction and management of minerals must be integrated into the overall industrial strategy. But India's imports of non-fuel minerals are much higher than exports. Small-sized mines dominate the industry. In addition, mining in India is largely public-sector-driven, with public enterprises accounting for around 66% of the value of mineral production; the rest emanates from medium and small mines that are largely private-operated.

Little is being spent on exploration of minerals. If neither governments, Union or state, nor PSUs are able to invest on the scale required, then foreign and private

# We've to rethink our mining policy

Little is currently being spent on exploration of minerals, regulation of mining also remains an issue

SANTOSH MEHROTRA

Professor of Economics, JNU, and co-author of 'What's the Plan? India's Development and Planning—Its Past and Future' (Cambridge University Press)

firms will need to be incentivised. However, the government can well claim that 100% FDI has been permitted in mining. So, what is holding investment back?

Regulation of mining remains an issue. Given the widespread regulatory failure, there is a need to create an independent mining regulatory authority for oversight at the central and state level to restore investor confidence. Primary regulatory responsibility must lie with state governments. The first National Mineral Policy (NMP 1993) allowed FDI up to 50% with no limit on captive FDI, but little interest was shown by foreign investors. Meanwhile, the lack of resources with public sector agencies such as the Geological Survey of India, Mineral Exploration Corporation Ltd, and other state and central agencies

resulted in limited promotional exploration. Then the National Mineral Exploration Policy came in 2016, which is a structured framework for comprehensive exploration in the country with a judicious interplay of government support and private innovation and enterprise.

However, FDI has not increased in mining, although it has grown sharply in other sectors (mainly in services, and to some extent in brownfield manufacturing in the form of takeovers). The amount of FDI in mining was \$1.32 million in 2000-01 and \$55.75 million in 2016-17. Clearly, mining is not attracting foreign investment.

There have been repeated violations by existing mining companies (Indian and foreign), as well as governments, of social and environmental impact assessment



guidelines. As part of its industrial policy, the Union government will have to rethink mining policy. The situation was brought to a head by a August 2017 Supreme Court judgment, which regarded the mineral policy as outdated, and stated that a "fresh, more effective, meaningful and implementable policy" needs to be developed.

Several issues are important (TERI studies have pointed out). First, data from the Geological Survey of India's geological mapping should be available in a geographic information system format to facilitate entrepreneurs to take investment decisions for exploration. Second, the Mines and Minerals (Development and Regulation) Amendment Act, 2015, has made auctions as the only mode of granting mineral concessions. This

implies that the Indian Bureau of Mines and the State Directorates of Mining need to have the capacity to undertake mineral resource estimate and reserve valuations. This requires their capacity-building.

Third, mining has both backward and forward linkages; these need to be encouraged. This can be done by allowing free transfer of concessions including mining leases, and by giving a preference to value-addition and end-use when calling bids for mineral deposits. Fourth, scientific human resources including knowledge at the frontiers of geoscience has emerged as a bottleneck. India will need more mining engineers, geologists, geophysicists, geochemists and geoinformation experts. The ministry of mines estimated that up to 2025 there will be a need to equip about

3,000 geoscientists and 40,000 mining engineers over and above the normal supply (Kumar and Ganesan, 2015).

Finally, because past mining operations had not given much attention to rehabilitation of people uprooted by mining, the MMDR Act 2015 provides for the creation of a District Mineral Foundation in every district affected by mining-related operations to work for the benefit of persons and areas affected by such operations. These foundations should deliver on rehabilitation of old mines as well as affected peoples; else, the affected will agitate and demand mines to be closed.

There is an electric vehicle (EV) demand rush that is likely to happen. There is a major implication for global demand for minerals used in EV batteries. Cobalt demand will rise five times, as will demand for copper and nickel. In a 2016 study (Council on Energy, Environment and Water), 12 most critical minerals (with high economic importance and high supply risk) for India's manufacturing growth were identified. The study says that for seven of these—and nearly half of the 49 minerals analysed—India is totally import-dependent. If India is going to bet big on EVs, then the challenge is even greater. Again, the Chinese dominance in EV-relevant minerals is overwhelming. This creates exclusive markets for Chinese battery and EV manufacturers, a situation similar to solar panels. India needs a comprehensive strategy, i.e. the role of industrial policy, in this sector.



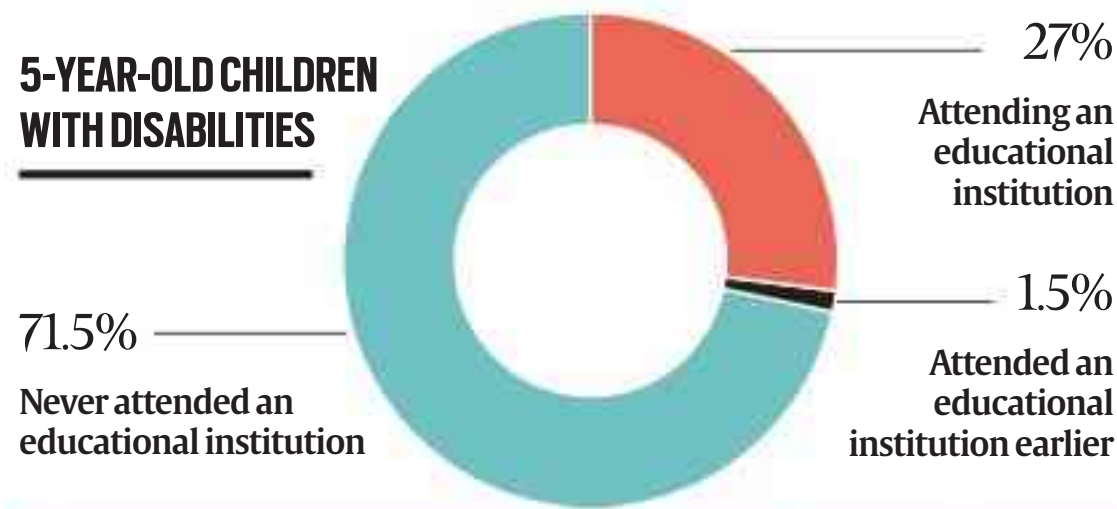


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TELLING NUMBERS

Counting children living with disabilities, in or out of school



	TOTAL	BOYS	GIRLS
Attending an educational institution	99,259	54,521	44,738
Attended one earlier	5,472	3,030	2,442
Never attended one	2,63,966	1,46,319	1,17,647
5-year-old CWD population	3,68,697	2,03,870	1,64,697

CHILDREN WITH DISABILITIES AGED 5-19			
	TOTAL	BOYS	GIRLS
ATTENDING AN EDUCATIONAL INSTITUTION			
Children with disabilities	61.18%	61.75%	60.45%
All children	70.97%	72.26%	69.55%
ATTENDED ONE EARLIER			
Children with disabilities	12.14%	12.34%	11.89%
All children	11.82%	11.70%	11.96%
NEVER ATTENDED ONE			
Children with disabilities	26.68%	25.92%	27.66%
All children	17.21%	16.04%	18.49%

A UNESCO report notes how children living with disabilities are disproportionately left out of the education system in India as compared to the overall proportion of out-of-school children (*The Indian Express*, July 3). Some of its highlights: **78,64,636** children living with disabilities in India, making up 1.7% of the total child population. Proportion among boys (1.81%) than girls (1.58%). **3,68,697** five-year-olds living with disabilities. Of them, 27% attend educational institutions, 72% have never attended any; 1% have dropped out. **61%** of CWDs aged 5-19 are attending an educational institution, compared to overall figure of 71% when all children are considered. 27% of CWDs never attended any educational institution, as opposed to the overall 17% for the entire child population.

There is variation among states in school attendance of 5-19-year-olds. Goa and Kerala have a higher percentage of children with disabilities attending schools. Odisha and West Bengal have more children with disabilities dropping out of school than the national average. Over a third of the children with disabilities in the Northeastern states of Arunachal Pradesh, Assam, Meghalaya and Nagaland have never attended an educational institution.

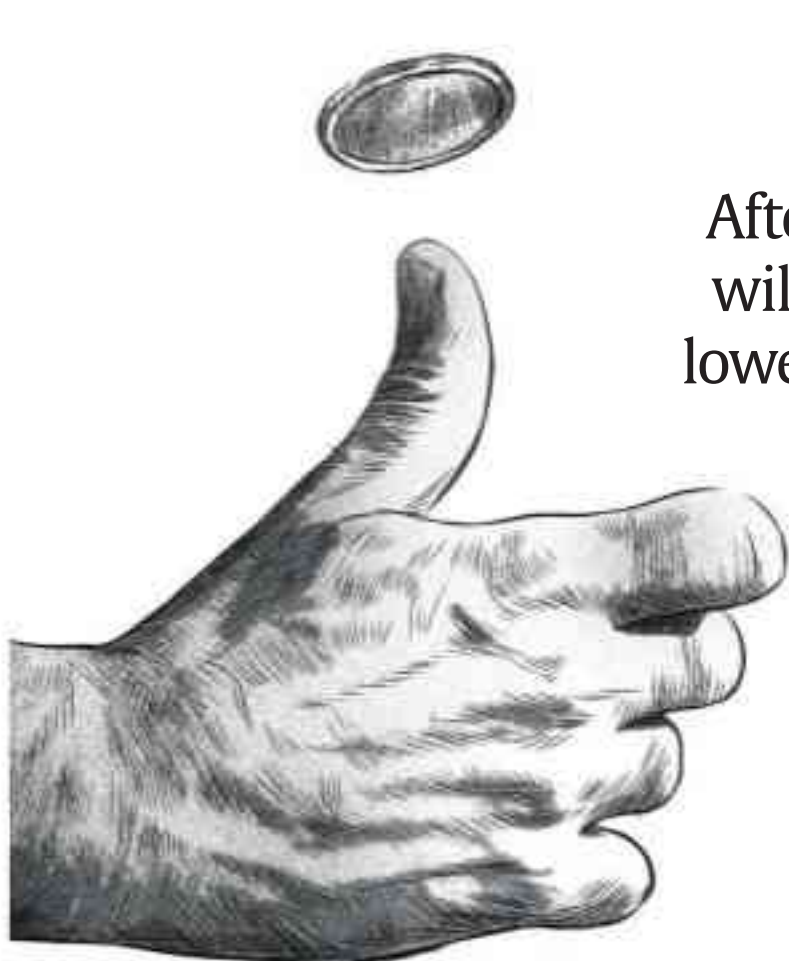
THE STATES: CWDs AGED 5-19

ATTENDING EDUCATIONAL INSTITUTION	
Goa	73.4%
Kerala	73.2%
Maharashtra	70.3%
Lakshadweep	69.5%
Manipur	69.4%
Himachal	67.7%

ATTENDED EDUCATIONAL INSTITUTION EARLIER	
Daman & Diu	21.1%
Odisha	16.5%
Gujarat	15.8%
Karnataka	15.5%
West Bengal	14.3%
Tamil Nadu	13.7%

NEVER ATTENDED AN EDUCATIONAL INSTITUTION	
Nagaland	38.9%
Assam	36.4%
Meghalaya	35.4%
Daman & Diu	34.3%
Bihar	33.8%
Arunachal	33.2%

Source for all data: UNESCO report, which attributes data to Census 2011



UDIT MISRA  
NEW DELHI, JULY 4

ON FEBRUARY 1 this year, Prime Minister Narendra Modi had said: "This is an interim Budget. This is just a trailer of the Budget which, after elections, will take India on the path to development." As Finance Minister Nirmala Sitharaman rises to present the full-fledged Union Budget for the current financial year, she faces the arduous task of showing the complete picture. On the one hand, voters who have returned the BJP-led government with a resounding majority expect that the full-year Budget would further expand the welfare measures announced in the interim Budget. On the other, India's economic growth has faltered further since the presentation of the interim Budget, making it that much more difficult to come through on those promises.

Lower than expected tax revenues are a spoiler

The first key variable to watch out for is the Fiscal Deficit (as a percentage of GDP). Fiscal Deficit reflects the total borrowing requirement of the government. The previous Modi government had done a reasonable job of limiting fiscal deficit. For the current financial year too, the fiscal deficit had been budgeted at the 3.4% level. However, this number may see some change given the adverse revenue deficit (the excess of revenue expenditure over revenue receipts) for the last financial year.

As the table alongside shows, actual (A) revenue deficit for 2018-19 is worse than the revised estimates (RE) for the last financial year. That, in turn, is largely because of a massive gap of Rs 1.67 lakh crore between the expected tax revenues for the past year and the actual figures. This gap is mainly on account of lower revenues from GST, customs duty and corporation tax. The fall in revenues meant that both the actual revenue expenditure and capital expenditure were lower than the revised estimates for the last financial year.

It is clear that the finance minister would have to shore up total revenues, especially tax revenues, if she wants to meet increased expenditure demands. Without this balancing act, the fiscal deficit for the current year would likely suffer.

Nominal GDP growth is a worry

What makes this job more difficult for her is the fact that India's economic growth seems to be decelerating; India has already lost its cherished "fastest-growing" major economy tag to China at the end of the fourth quarter in 2018-19 when the real GDP grew by just 5.3% — the slowest in 20 quarters. Almost across the board, observers, including the RBI, have rolled back India's real GDP forecast for the current year. A crucial variable in this regard is the finance ministry's assumption of the nominal GDP growth for the current year. The nominal GDP growth (that is GDP growth at current prices) is the most fundamental building block of the Budget-making exercise. The government's assumption of the nominal GDP growth decides the revenue buoyancy, which, in turn, provides clarity about the possible level of expenditure it can afford, given a pre-stipulated fiscal deficit target. In the interim Budget, then finance minister Piyush Goyal had assumed a nominal GDP growth rate of 11.5%. However, if growth is faltering, this may have to be revised down. Doing so, in turn, would further bring down revenue projections, and by extension, curtail the government's capacity to spend more. As such, the assumption about the nominal GDP growth is another key variable to watch out for in this Budget.

What about the welfare schemes?

Apart from these major macroeconomic variables, there are four key categories of data that would be keenly observed given the political economy surrounding them.

The first relates to the expected dividends from India's central bank. For while

SIMPLY PUT

What to look for in the Budget

After welfare measures in interim Budget, how far will full Budget be influenced by slow growth and lower than expected revenues? How to read the key variables that will indicate what is in store

LAST YEAR'S ESTIMATES AND ACTUAL FIGURES

	FY18	FY19 (RE)	FY19 (A)*	FY20 (BE)
Fiscal Deficit (%)	3.5	3.4	3.4	3.4
Revenue Deficit (as % of GDP)	2.6	2.2	2.34	2.2
Revenue Receipts (as % of GDP)	14.35	17.30	15.64	19.78
Tax Revenues (in Rs lakh cr)	12.42	14.84	13.17	17.05
Revenue Expenditure (in Rs lakh cr)	18.79	21.41	20.08	24.48
Capital Expenditure (in Rs lakh cr)	2.63	3.17	3.03	3.36

\*A = actual Source: Budget documents, Controller General of Accounts and CARE Ratings

now, the government and the RBI have been at loggerheads about the level of dividends that the RBI needs to provide the national exchequer.

The second relates to the overall disinvestment proceeds the government hopes to raise this year. This is crucial not just because of the monies that any disinvestment would bring but also for the signal it provides about the new Modi government's intent to reduce government ownership in the broader economy.

The third and related category is the overall budgetary allocation towards the recapitalisation of public sector banks. Again, not only will it have a bearing on the overall fiscal deficit and the government capacity to fund social welfare scheme, but also provide a window into the mind of the new government's approach towards reforming inefficient public sector banks.

The last category would have to be the allocations to the flagship schemes of the first Modi government. In the last five years, and especially in the last two, the previous government had announced several welfare schemes such as PM-KISAN (direct income transfers for small farmers), income tax exemptions (for the lower middle class), pensions for the workers in the unorganised sector as well as the Ayushman Bharat scheme for providing healthcare cover to the poor. However, the allocations in many such schemes were considered inadequate in relation to the ambitious targets that had been set for them. For instance, for Ayushman Bharat, which is arguably the world's largest health insurance scheme as it seeks to provide health insurance of Rs 5 lakh to 10 crore poorest families (that is 50 crore individuals), the current Budget allocation of Rs 6,400 crore is hardly enough.



Illustration: Suvojit Dey

What Pak hopes to convey with cases against Saeed, why India unconvinced

SHUBHAJIT ROY  
NEW DELHI, JULY 4

ON SEPTEMBER 30 last year, a week after India cancelled the proposed bilateral meeting with Pakistan's foreign minister in New York, a minister in the Imran Khan government shared the stage with Lashkar-e-Taiba and Jamat-ud-Dawa founder Hafiz Saeed.

It was India's moment to say "I told you so" about Pakistan's sincerity in cracking down on terrorist groups and their leaders. But, a larger takeaway for India was that this exposed Pakistan's new Prime Minister — who had won the elections that July and been sworn in the following month — as cosy up to anti-India groups and leaders even as he talked peace and pushed for dialogue.

So, Pakistan's latest moves against Saeed has not impressed many in South Block.

Pak action, India reaction

On Wednesday, Pakistan lodged 23 cases on charges of terrorist financing and facilitation against 26/11 mastermind Saeed and a dozen members of his groups, as well as five banned outfits showing themselves as charity organisations. Pakistan's Punjab Counter-Terrorism Department (CTD) said it has registered the cases in Lahore, Gujranwala and Multan for collection of funds for terror financing through assets or properties in the names of trusts or non-profit organisations. "Large scale investigations launched into financing matters of proscribed organisations Jamat ud Dawa & Lashkar-e-Taiba in connection with the implementation of UN Sanctions

against these Designated Entities & Persons as directed by NSC (National Security Committee) in its Meeting of 1st January 2019 chaired by the PM Imran Khan for implementing National Action Plan," the CTD said in a statement.

According to CTD, on July 1 and 2, it registered the 23 cases against the leadership of JuD (Jamat ud Dawa), LeT (Lashkar-e-Taiba) & FIF (Falah-i-Insaniyat Foundation) for making assets from terror financing through the following trusts and non-profit organisations: Dawat ul Irshad Trust, Muaz Bin Jabal Trust, Al-Anfaal Trust, Al Hamd Trust and Al Madina Foundation Trust.

Apart from Saeed, CTD also named other leaders of JuD & LeT who have been booked, including his aides Abdul Rehman Makki, Malik Zafar Iqbal, Ameer Hamza, Muhammad Yahya Aziz, Muhammad Naeem, Mohsin Bilal, Abdul Raqeeb, Ahmad Daud, Muhammad Ayub, Abdullah Ubaid, Muhammad Ali and Abdul Ghaffar.

India has reacted sharply, unimpressed by Pakistan's moves. The Ministry of External Affairs' official spokesperson Raveesh Kumar said on Thursday, "Pakistan is trying to hoodwink the international community on taking action against terror groups. Let us not get fooled by cosmetic steps against terror groups by Pakistan."

Having learnt from past experience, India is much more cautious this time.

Held, released, held...

Saeed was, possibly for the first time, detained in December 2001, after the Parliament attack. Pakistan took Saeed into custody on December 21, 2001 after India

had built pressure and asserted that he was involved in the December 13, 2001 attack. Saeed was held until March 31, 2002, re-leased, then taken back into custody on May 15. He was placed under house arrest until October 31, 2002 after his wife Maimoona Saeed sued the province of Punjab and the Pakistan federal government for what she claimed was an illegal detention.

After the July 11, 2006 Mumbai train bombings, the provincial government of Punjab (Pakistan) arrested him on August 9 and kept him under house arrest but he was released on August 28 after a Lahore High Court order. He was arrested again the same day by the provincial government and was kept in the Canal Rest House in Sheikhupura. He was released after a Lahore High Court order on October 17, 2006.

After the November 2008 Mumbai terror attacks, India submitted a request to the UN Security Council to put JuD and Saeed on the UN list of global terrorists. On December 11, 2008, he was again placed under house arrest when the UN declared JuD as an LeT front.

Saeed was held in house arrest under the Maintenance of Public Order law, which allowed authorities to detain temporarily individuals deemed likely to create disorder, until early June 2009 when the Lahore High Court, deeming the detention unconstitutional, ordered his release.

On July 6, 2009, Pakistan's government filed an appeal against the court's decision. Deputy Attorney General Shah Khawar told the Associated Press that "Hafiz Saeed at liberty is a security threat."

On August 25, 2009, Interpol issued a Red



Hafiz Saeed in Islamabad in 2011. AP file

Come Notice against Saeed, along with Zakir Rehman Lakhvi, in response to Indian requests for his extradition. Saeed was again placed under house arrest by the Pakistani authorities in September 2009. On October 12, 2009, the Lahore High Court quashed all cases against him and set him free.

Frustrated with what it saw as Pakistan's lack of seriousness, New Delhi even disclosed a list of 50 most wanted fugitives in May 2011.

In April 2012, the US announced a bounty of \$10 million on Saeed for his role in the 2008 Mumbai attacks. After the bounty, Saeed gave an interview and said, "I am living my life in the open and the US can contact me whenever they want." Throughout, he

has been giving anti-India speeches and rooms around freely in Pakistan.

He was once again put under house arrest in January 2017, as the Financial Action Task Force (FATF) started scrutinising Pakistan's record against terrorism. In an unusual move, Pakistan's Army said at that time that the detention was a "policy decision in the national interest" as the government announced that Saeed's 90-day house arrest could be extended if required.

On November 24, 2017, Pakistani authorities announced that Saeed had been released from house arrest earlier in the week after the Lahore High Court concluded that there was "nothing tangible" in the evidence presented against him in a government request to extend his detention. The US and India released statements criticising the move.

So, much of the Indian establishment sees the latest FIRs as a replay of the past.

Why act now

Pakistan began its latest moves on July 1, the date when its all-weather ally China took over as the chair of FATF.

The moves came days after the G-20 declaration at the Osaka summit on June 28-29 gave primacy to the FATF's "essential role" and called for the effective implementation of its standards. On June 21, at the FATF plenary session in Orlando, the US (the then FATF chair) had told Pakistan that it could face blacklisting at its next session in October if it did not adhere to its commitments to stop access to funds for terror groups.

Pakistan's CTD statement said: "Large scale investigations have been launched into

matters of JuD, LeT & FIF regarding their holding & use of Trusts to raise funds for terrorism financing. They made these assets from funds of terrorism financing, they held & used these assets to raise more funds for further terrorism financing. Hence, they committed multiple offences of terrorism financing & money laundering under Anti-Terrorism Act 1997. They will be prosecuted in ATCs (Anti Terrorism Courts) for commission of these offences. These Assets/NPOs have already been taken over by the government in compliance with UN Sanctions."

The FATF once again takes up Pakistan's case in September-October, and Pakistan's action is being seen as a move to avoid being blacklisted and even come out of the grey-list. Its nod to Beijing, so that China lifted its technical hold and let Azhar be listed as a global terrorist, is also seen as a move in this direction. With China as the new FATF chair, Pakistan is building a case of good behaviour for itself in front of the international community.

That is the reason India has been demanding "credible, sustainable, visible and irreversible" action against these terror groups and their leaders. It believes Pakistan is taking these measures so that China can show to the world that its all-weather ally is serious about taking action against terrorists.

Until it is convinced of Islamabad's and Rawalpindi's sincerity, India will keep pushing for Pakistan to be blacklisted, which will have a debilitating effect on Pakistan's economy. And Imran Khan and Pakistan's Army - which is aware of these risks - are perceived to be taking these steps to ward off blacklisting and possibly get out of the grey-list.





I AM FAVOUR OF CUTTING TAXES UNDER ANY CIRCUMSTANCES AND FOR ANY EXCUSE, FOR ANY REASON, WHENEVER IT'S POSSIBLE.  
— MILTON FRIEDMAN

The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

THE GROWTH DRIVER

Economic Survey rightly recognises the main challenge:  
Reviving private investment

FOR AN ECONOMY in slowdown mode, the key to reviving the growth momentum is private investment, which is a function of the “animal spirits” of entrepreneurs. One must give credit to the Finance Ministry’s Economic Survey, unveiled a day before the presentation of the Narendra Modi government’s first Union Budget in its second innings, for recognising this basic truth. Although it does not explicitly admit it, the Indian economy is, indeed, today caught in a vicious cycle of investments not happening on the ground, jobs drying up and, in turn, impacting income and consumption. This is the opposite of what happens in a virtuous cycle, where “investment, productivity growth, job creation, demand and exports feed into each other and enable animal spirits in the economy to thrive”. The Survey is right that the macroeconomic stability indicators — whether pertaining to inflation, external current account or even fiscal balances — are much better than they were five years ago and it is time to “shift gears” to enable an average annual real GDP growth of 8 per cent for India to become a \$5 trillion economy by 2024-25. But the key driver for it is investment — more specifically, private investment.

But how does one get firms to invest, which is ultimately a forward-looking activity? It basically requires the upfront costs of a project to be less than the present value of the expected rewards from the investment. The Survey has pointed out — which may not be in sync with the Reserve Bank of India’s views, at least till recently — that real rates of interest in India have increased significantly over the years and are high even on cross-country comparison. There is, therefore, need to lower the cost of capital. Further, it has argued that the country only needs a “mildly positive real rate”, which will not necessarily lead to lower savings. Savings are driven primarily by demographics and income growth: Both of these are favourable for India, given a rising proportion of its working population that will both earn more and save more.

There are other useful suggestions by the Survey that may be worth considering. The first is a redesign of tax policy, including for start-ups. High tax rates on corporate profits and notices received by new economy companies on angel funding from venture capital investors are certainly not a good idea. They need a complete review, especially in the current context where animal spirits are low. Reviving those spirits will present the biggest and most immediate challenge for the Modi government as it begins its second term.

MUMBAI’S TRAGEDY

Another monsoon takes a heavy toll, spotlighting corruption and incompetence in infrastructure planning and governance

ANOTHER MUMBAI MONSOON tragedy has yielded another high-level inquiry, this time to probe the circumstances in which at least 26 Mumbai-kars died when a wall along a suburban hillock collapsed on two shanty colonies. A technical experts’ committee will also probe if the quality of construction and design of the wall along the slope was appropriate. Meanwhile, the first week of rains left thousands with flooded and damaged homes and vehicles. The suburban railway and bus transportation systems are counting their losses, running into crores, from flood water ingress. Thousands of underground water tanks in suburban residential colonies are contaminated, and municipal authorities are bracing for an impending round of viral and water-borne diseases. Incidentally, even as rains battered the financial capital earlier this year, a CAG report tabled in the Maharashtra state legislature slammed agencies for incomplete works on flood preparedness.

After every major tragedy in Mumbai, inquiry reports point to blinkered urban planning and moribund municipal governance. Meanwhile, the tiresome trope about Mumbai’s resilience almost appears to be its undoing — the city that never stops returns to business as usual and long-term corrective measures are forgotten. At least two near-stampedes on stations on the suburban railway system were reported this past week, almost as if 23 Mumbai-kars headed to work never died in the September 2017 Elphinstone Road station stampede. After the 2005 deluge that claimed over 700 lives in the city after a 944 mm downpour in a single day, not only were large parts of a fact-finding committee’s recommendations never implemented, but 14 years and several hundred crores later, a project to rejuvenate the Mithi River, Mumbai’s mother drainage system, remains incomplete. Faced with citizens’ anger, top officials and the Shiv Sena’s heir apparent Aaditya Thackeray parried, saying this week’s record rainfall must be looked at in the context of climate change. But very recent lessons on sustainable development are already a hazy memory. Just last monsoon, the marooning of satellite towns, Vasai-Virar, following a three-day deluge suggested that the devastating results of Mumbai’s development trajectory were playing out in a suburb, not in a distant future. The peculiarity of Vasai-Virar’s relatively inexpensive housing market is the widespread construction on flood plains, reclaimed wetlands and former salt pan lands — all buffers against flooding.

Corruption and incompetence in infrastructure planning and governance cannot be brushed under the climate change carpet. Various agencies responsible for Mumbai’s ramshackle systems must do both — fix accountability for the dereliction and simultaneously mandate scientific sustainability studies to inform all development planning, zoning initiatives, real estate development and mass transit projects.

TRUMP’S PARADE

US President has upped the firepower of the annual Fourth of July celebration, and the Democrats think it’s just narcissism

AMERICA HAS ALWAYS celebrated the Fourth of July with things that go bang. But this year, President Trump is shooting for bigger bang for buck than mere fireworks can offer. The parade in Washington, which is generally associated with marching bands and warm feelings of togetherness, features Bradley armoured personnel carriers and Abrams tanks this year, at the very spot where Martin Luther King declared that he had a dream. That spells BAE Systems and General Dynamics, companies at the heart of the military-industrial complex. And the high point, according to Trump, is a “flyover” by F-18 Hornets, which means Boeing. The Americans are very accurate in terming it a flyover, rather than a flypast, as we do, despite the evidence of our senses. For us, a flyover signifies urban infrastructure, which regularly comes crashing down. Not a good omen for a parade.

Trump was apparently inspired to launch a Salute to America parade bristling with military hardware after seeing tanks roll down the Champs-Élysées in a French parade. But India could have served as an even finer model, for our Republic Day parade was inspired by the world-beating Victory Day parade in Moscow’s Red Square. Russia’s annual display of military hardware, which has traditionally featured gigantic ballistic missiles on their launchers, has rivalled Soviet monumental statuary as the most forceful expression of revolutionary triumphalism and continues to perplex and awe the world.

In India, though, some diffidence is sometimes expressed over the public display of weaponry. The parade down Rajpath, it is argued, was an important element of the self-assertion of a young nation, but may have outlived its usefulness. In America, the Democrats have dismissed Trump’s extravaganza as yet another symptom of his narcissism, and a means to politicise the forces. But obviously, Trump will not let them rain on his parade.



KHALED AHMED

WHEN AN “UNDER pressure” Pakistan initiated “23 cases against Hafiz Saeed and his 12 aides over terrorism-financing”, the news was immediately flashed on the front pages of all the major Indian newspapers. In Pakistan, only *Daily Times* carried the story on July 4: “The counter-terrorism department (CTD) said it had launched 23 cases against Hafiz Saeed and 12 of his aides for using five trusts to collect funds and donations for Lashkar-e-Taiba (LeT). Two banned LeT-linked charities, Jamaat-ud-Dawa (JuD) and Falah-e-Insaniat Foundation (FIF), were also targeted, the department said in a statement. ‘All the assets of these organisations and individuals will be frozen and taken over by the state’, said a counter-terrorism senior official, speaking on the condition of anonymity because he was not authorised to speak publicly.” The counter-terrorism department said the action is in accordance with UN sanctions against the individuals and entities.

According to the CTD press release, those booked include Hafiz Saeed, Abdul Rehman Makki, Malik Zafar Iqbal, Ameer Hamza, Yahya Aziz, Naem Sheikh, Mohsin Bilal, Abdul Raqeeb, Ahmad Daud, Muhammad Ayub, Abdullah Ubaid, Muhammad Ali and Abdul Ghaffar. The cases were registered in Lahore, Gujranwala and Multan on July 1-2 “for collection of funds for terrorism financing through assets/properties made and held in the names of trusts/non-profit organisations (NPO)”, including Al-Anfaal Trust, Dawat ul Irshad Trust, Muaz Bin Jabal Trust, Al Hamd Trust and Al Madina Foundation Trust.

No mention was made of the courts Hafiz Saeed had been running across the country. In 2016, the daily, *The News* (April 9, 2016), had disclosed that Saeed had been doing something unforgivable: Running stealth courts in violation of the constitution of Pakistan: “The supra-constitutional Sharia courts, established by Jamaat-ud-Dawa

As Pakistan initiates 23 cases against him and his aides for terrorism financing, a look at the fraught context

The pressure this month to ‘do something’ has come from the Paris-based Financial Action Task Force (FATF), which, last year, placed Pakistan on its ‘grey list’ of countries with inadequate controls over money-laundering and terrorism-financing. The international watchdog gave Pakistan an October 2019 deadline ‘to improve its efforts against terrorism-financing’ if it didn’t want to end up on the black list. The United States had offered \$10 million for Hafiz Saeed’s head; Pakistan finally offered it on a platter and, as quid pro quo, got the US to declare the Balochistan Liberation Army (BLA) a terrorist organisation.

(JuD), operate across the country and only the Lahore court of this parallel judicial system has issued verdicts in 5,550 cases, including murder trials”.

Working for *The Friday Times* in 2002, the writer of this column had written something for which Hafiz Saeed had issued a legal notice to him “for denigrating the Companions of the Prophet”. After discovering that neither the Punjab government, nor the legal establishment, were prepared to defend him in court — lawyers had refused to take the case — he was forced to present himself at the stately office of Hafiz Saeed on Lake Road, Lahore, and abjectly beg him for mercy, which he gracefully bestowed on him. The “offending article” had contained the following paragraph in *The Friday Times*.

“Very little has appeared in the press about the politics of Hafiz Saeed’s Lashkar-e-Taiba and its mother organisation, Dawat wal- Irshad, because of the close coordination it enjoyed with its ‘handlers’. Hafiz Saeed in his early heady days took on Ahle Hadith (with whom he shared his Wahhabi creed) and criticised their inertia with regard to jihad. Ahle Hadith (Sajid Mir faction) hit back and discussed details about Lashkar-e-Taiba that no one in Pakistan dared discuss for fear of the state. One 1993 cassette containing the khutba-e-juma in Faisalabad of Qari Abdul Hafeez of Ahle Hadith (Sajid Mir faction) described the activities of Lashkar-e-Taiba that could only be condoned in deference to its effective participation in the covert war in Kashmir.”

The charges levelled by Qari Hafeez can be summarised as follows. “Despite the fact that the leaders of Lashkar-e-Taiba held that a boy going for jihad did not need the permission of his parents, their own sons did not go to jihad because ‘their mothers did not give permission’; that the Abu Jandal Group of the Lashkar looted banks in Pakistan in the

(wrongly attributed) tradition of a Companion of the Prophet (PBUH) who used to loot caravans to strengthen Islam; that members of the Lashkar abducted Bareilvi girls and kept them as slaves, claiming that Hafiz Saeed had allowed the custom of keeping slave girls; and that colossal sums of money gathered in the name of jihad were pocketed by the leaders of Lashkar.”

The pressure this month to “do something” has come from the Paris-based Financial Action Task Force (FATF), which, last year, placed Pakistan on its “grey list” of countries with inadequate controls over money-laundering and terrorism-financing. The international watchdog gave Pakistan an October 2019 deadline “to improve its efforts against terrorism-financing” if it didn’t want to end up on the black list. The United States had offered \$10 million for Hafiz Saeed’s head; Pakistan finally offered it on a platter and, as quid pro quo, got the US to declare the Balochistan Liberation Army (BLA) a terrorist organisation. The BLA has been India’s tit-for-tat response for the Pakistani “nonstate actors” attacking inside India.

The “case” Pakistan pretended to run against Hafiz Saeed’s strongman, Lakhwi, had come to nothing for “lack of evidence”. Yet, Geo TV’s anchor, Kamran Khan, in his November 12, 2012 programme had revealed that Pakistani officials had told the anti-terrorism court judge, Chaudhry Habibur Rehman, on November 10, 2012, that terrorists who attacked and killed over 166 innocent people in Mumbai on November 26, 2012, belonged to Lashkar-e-Taiba and that they had trained in various cities of Pakistan. The mastermind of this attack, Zakiur Rehman Lakhvi, was under trial at Adiala Jail in Rawalpindi.

The writer is consulting editor, Newsweek Pakistan



ARCHNA SHUKLA

THE ALLEGATIONS of plagiarism against Trinamool Congress MP Mahua Moitra with regard to her maiden speech in Parliament are puerile. Moitra’s speech is not a piece of literature or a research paper to which originality is sacrosanct. She made a political speech in which she used some arguments to establish a premise. That her arguments were borrowed neither weakens her premise nor delegitimises it.

For the uninitiated, Moitra mounted a spirited attack on the Prime Minister Narendra Modi-led government in her speech in Parliament on June 25. She argued that fascism was on the rise in India under PM Modi’s reign and listed seven points to substantiate her argument.

It wasn’t the first time the Modi government was called fascist. It wasn’t the first time issues such as a rise in nationalism, an increase in hate crimes, subjugation of the media, and disdain for intellectuals were raised in Parliament. Yet, Moitra’s sharp articulation of these points along with her gutsy call — that her voice of dissent be defended against that of “professional hecklers” — inside Parliament, caught people’s attention.

Two days later, some eager beaver found a 2017 article published by the US-based *Washington Monthly* that cited a poster in the US Holocaust Museum that had listed 12 early signs of fascism in a country. Indeed, Moitra had picked seven of her points from this poster. Post this discovery, Moitra’s detractors went on a rampage, alleging her speech was plagiarised and called it an unprecedented incident in the history of Parliament.

A CONVENIENT DISSENT

Mahua Moitra’s critique of PM Modi is selective, would fit CM Mamata Banerjee

It is the stark similarities — between what Moitra described as the signs of fascism in Modi’s India and Banerjee’s West Bengal — that make her speech puzzling and beg the question: Why would Moitra let out a war cry against Modi’s fascism and remain a flag bearer of Banerjee’s brand of politics when, inherently, the two are the same? It is her selective condemnation that makes her speech dishonest and hurts the spirit of dissent she invoked in Parliament. Raising dissent when convenient is unprincipled opportunism.

While the allegations of plagiarism do seem like a desperate attempt to discredit a bright and young MP, who definitely stood out in the midst of a largely dull and weak Opposition, there is a fundamental problem with her speech.

There is nothing in Moitra’s entire oration that would seem out of place if it were to be repeated, as it is, in the West Bengal Assembly against her current political mentor and Trinamool Congress president Mamata Banerjee.

From using the state’s entire administrative machinery as an extension of her party to perpetrating a culture of sub-nationalism, from complete intolerance to dissent to calls for extreme revenge against rivals, from attacks on artists and cultural organisations to sustained political violence, the numerous chit fund scams, and, Banerjee’s alleged patronage to those behind the scams — all these would qualify as signs of fascism, as listed in the poster in the Holocaust Museum that Moitra took inspiration from for her speech.

The most ironic among these was Moitra’s forceful accusation with regard to the subjugation or the controlling of mass media by “one man”, a reference to Modi, in the country. She comes from a state that can be a textbook case in how the media is used to serve politics. The Rose Valley and Saradha scams in West Bengal, which have financial fraud and diverse news businesses at their core, are instances of a dangerous nexus between corporate power, media and the state.

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Moitra described as the signs of fascism in Modi’s India and Banerjee’s West Bengal — that make her speech puzzling and beg the question: Why would Moitra let out a war cry against Modi’s fascism and remain a flag bearer of Banerjee’s brand of politics when, inherently, the two are the same?

It is her selective condemnation that makes her speech dishonest and hurts the spirit of dissent she invoked in Parliament. Raising dissent when convenient is unprincipled opportunism.

Also, it can’t be her case that only the robber with the bigger heist be hanged. If robbery is a crime, then big or small don’t matter.

Moitra, however, was unerring in claiming the space the Opposition has got inside the current Parliament. To borrow her words, the totality of the mandate the BJP has in the House does demand that the Opposition’s right to speak and be heard are unconditionally defended.

At the same time, the Opposition needs more than well-structured speeches to defend its space. A professionally brilliant speech invoking ideal political principles might tug at the mind-strings of those who get easily taken in by attributes such as clear articulation and a polished persona — add to that, impeccable English. But it won’t cut ice with those whose world is more real and removed from ideal philosophies.

If Parliament is not a space for professional hecklers, it shouldn’t become a refuge for professional orators either.

The writer is a Delhi-based journalist

JULY 5, 1979, FORTY YEARS AGO

URS’S CONGRESS

The convention of Congressmen convened by Devaraj Urs scored a striking success in fusing the hearts of all Congressmen opposed to Indira Gandhi and paved the way for an early session of the pre-1978 split session of the AICC. This will in turn formalise the unity of the two Congresses and prepare the ground for former Congressmen — now in other parties — also to come under the banner of the Indian National Congress. Sceptics who doubted the success of the convention were surprised as speaker after speaker not only upheld the unity idea but also showered praise on Urs for taking the lead in making this fusion possible.

ALCOHOL AS FUEL

A TEAM OF experts is going to Brazil to study various aspects of the use of alcohol as fuel for automobiles in place of petrol. The petroleum and chemicals ministry has decided to try to find substitutes for gasoline following the steep rise in crude prices and the problem of its availability. Brazil has successfully experimented with blending alcohol with petrol for use in automobiles without any engine renovation or adaptation of the carburetors. According to reports, a blend containing upto 20 per cent alcohol can give good results and lead to saving of fuel. The ministry has intensified research within India to examine the best combination for the blend. IIT Delhi and

the Faridabad Research and Development Centre of the Indian Oil Corporation have been entrusted with this task.

CHINA SLOWDOWN

IN AN UNUSUAL fit of frankness, China’s leaders have told the nation’s 960 million people that they face three years of tight budgets, hard work and economic readjustment before they can resume the “new leap forward” towards industrial modernisation. However, Premier Hua Guofeng delivered a glowing report to the second session of the fifth National People’s Congress as to how well the economy had recovered from the near-collapse of 1976.





# THE IDEAS PAGE

## A new deal for Kashmir

Constitutional concessions have failed to facilitate the Valley's assimilation with India. The rules of engagement need to change



ABHINAV KUMAR

IT HAS BEEN nearly three decades since the separatist movement in Kashmir, simmering beneath the surface right from the accession of Kashmir in 1948 itself, turned into a full-blown armed insurgency. It is a conflict that has led to three-and-a-half wars as well as this insurgency that is well into adulthood. Kashmir has been the stage for two nuclear armed neighbours to play their own 21st-century blood-soaked version of the Great Game. It is a game that has been encouraged by, and has in equal measure, exasperated the great powers that have jostled for space and primacy through the Cold War and the post-Cold War international order. Like Berlin, Beirut and Afghanistan, Kashmir too has come to occupy a strange place in geopolitics. Each one of us imagines and inhabits a different version of Kashmir. Not just geographically, but metaphorically too, Kashmir stands at the intersection of many different forces. Any solution that aspires for lasting peace has to grapple with this complexity. In the middle of this strategic and historical jigsaw puzzle, we who fight for the idea of India in Kashmir face some tough choices.

To get a first-hand feel of its contradictions, all one has to do is drive through the length and breadth of the Valley. There are daily traffic jams in Srinagar. The major highways and other arterial roads are choked with traffic. The entire Valley, especially the metropolitan area of Srinagar, is buzzing with construction activity. Barring the most remote mountains, all the dwellings that I have seen are twin storeys and made from construction materials that signal a minimum standard of economic well-being. Whatever is driving the militancy in Kashmir, it is certainly not economic deprivation.

On the flip side, armed personnel in a grid in Kashmir, is the different shades of the uniform and the level of all possible scenarios. According to all major intersections and at major junctions, there is a pool of thought, India can easily live on the national highways. Every 15-20 days, current level of casualties and eco-fierce gun battles take place in the most hotspots of South Kashmir. The mood is one of hopelessness. Eventually, the expectation spewing bile against India by reading out a sermon scripted for them by the imams. It is further hoped that the dlers in the ISI. The Joint Resol of the Leadership keeps calling for peace and the jihadi separatists and their men. However, post Pulwama and Balakot, the Pakistan to back off and the insurgency sponse to these bandhs has been will be away.

almost as if there is a collective, the second approach is one advocated by muted, realisation that pushing the very local section of our intelligentsia and yond the brink between India and Pakistan. I call it the abdication approach. would be a disaster for the Valley. The link to this view, India has a very weak of the militant struggle appears to have a moral case in Kashmir. It sees shifted to social media. As on date, the media as perpetual victims and the in Kashmir is 90 per cent virtual and in part its agencies as permanent cent real. This has to be the most unrealistic, therefore, lasting peace in Kashmir zone that has seen almost three decades of violence and unrest. It is a puzzle where the Kashmiri separatists, which may pieces are constantly changing shape from complete autonomy to outright they never quite fit together.

Undoubtedly, these years of independence or merger with Pakistan. This have extracted a terrible toll in human lives. Jammu and Ladakh. It also ignores the per official records, nearly 50,000 people have died in the process of the idea of India. What imost their lives. This includes nearly 23,000 the secession of Kashmir have on militants, nearly 6,000 security forces and the national aspirations based on eth-over 20,000 civilians. Clearly, this is a tragedy. Language and religion? And given that olence has imposed terrible costs, human ecology has been a key driver of the cial and economic, on all sides. The military in Kashmir, what would it do to status quo, with its high levels of defence expenditure. Muslim relations in the rest of the by Indian security forces, and the occasional. The aftermath of such a separation spectacular terror strike by jihadi groups to make the original Partition of India, cannot be our final destination in Kashmir. The million casualties, look like a picnic.

Broadly speaking, there are three of the third approach is one that was com-before us in Kashmir. The first is what the table for the first 70 years of in-attrition-driven approach. In this approach, India but is increasingly talked India does not make any changes to the idea of the assimilation approach. It rests tutional relationship with Kashmir. The belief that the separatist sentiment that maintains an unrelenting security posture is a feature of Kashmiri politics since the Valley. That is to say the current state and the militancy that has raged in the state since 1990, both draw sustenance from



Suvajit Dey

the constitutional arrangements, namely Articles 35 A and 370, that have defined Kashmir's relationship with India. Without dismantling this structure, separatism and militancy will always strike a chord among a large section of the population in the Valley. Together, these Articles have frozen the demography and politics of the state and skewed it in favour of the Muslim majority from the Kashmir Valley. Some of them favour azadi, some favour a merger with Pakistan. And almost all of them have an issue accepting the idea of India. Unless this structural dominance of the Valley is dismantled, no amount of operational successes can end the raging fire of insurgency in Kashmir.

I would argue that the time has come to seriously consider the merits of the third approach. Could it lead to a period of extremely violent public protests in Kashmir? Probably. Does the Indian nation-state have the economic heft, the military resources and the international clout to get a grip on this prolonged period of unrest? Most certainly. It is heartening that for the first time in our general elections, the legal status of Kashmir occupied centrestage in public debate. The resounding mandate given to the government also appears to be a clear preference for altering the fundamentals of Kashmir's relationship with India. The concessions agreed upon at the time of accession of Kashmir to India were given in the expectation that they would facilitate Kashmir's complete assimilation. The four decades of separatist politics and three decades of violence that have followed prove that it was an unrealistic expectation. The time has come to change the rules of engagement, not just militarily, as we saw with Balakot, but also constitutionally. The idea of India cannot be held indefinitely hostage to the petulant fantasies of azadi.

The writer is an IPS officer serving in Kashmir. Views are personal

### WHAT THE OTHERS SAY

"The fact is, while Pakistan has gone the extra mile to open channels for peace, the Indian side has shown an arrogant indifference to resuming bilateral talks."  
—DAWN

## On the edge of the big league

Geopolitical leverage is no more limited to a few countries. India too can project its soft power, take smart, fast decisions



JANMEJAYA SINHA

TILL THE SOVIET Union collapsed in 1989, it was a simpler world. There were two superpowers. Militarily, it was clear that no country could challenge either of them and the superpowers were very wary of each other. Both the countries competed ceaselessly in space and their nuclear might was unassailable. Economically, the US's strength was on display but till the early Eighties, the economic power of Soviet Union was largely assumed, till it imploded. The US had much greater soft power with Hollywood movies, sports dominance and terrific universities that accepted the best from other countries; the Soviet Union lagged in soft power other than in the Olympic medals tally.

In such a world, countries aligned with one or the other superpower to different degrees. Post World War II, Japan, Germany and the UK were closely aligned to the US and other western European nations were also in the US camp through NATO. India's non-alignment post Indira Gandhi became Soviet Union-leaning and the US moved closer to Pakistan as a check on the Soviets who had taken control of Afghanistan. One could have argued India made a bad choice, but frankly, we were not very exciting to the US and strong Soviet backing to India after the 1971 war allowed the liberation of Bangladesh.

The Nineties were a tough time in India. The collapse of the Soviet Union left us weak internationally and our economic policies had taken us into a major balance of payments crisis in 1991. This was a blessing in disguise as it forced us to review both our economic policies and our global alignments. With an IMF assisted structural adjustment programme, many parts of the economy were liberalised. After the initial pain, we slowly moved away from the import substituting industry model we had followed and became a more market-friendly economy.

The complete collapse of Afghanistan post the Russian retreat destabilised the country not least because of the actions of Pakistan, Saudi Arabia and US to install a friendly regime. In this mess, the Taliban emerged, much to the detriment of the world. This unfettered meddling in Afghanistan converted an anti-Soviet sentiment into an anti US (or more broadly anti-foreign sentiment) and led to the creation of Osama Bin Laden. The 9/11 attacks followed and with it the reassessment of Pakistan as an ally by the US. The ISI's activities with al Qaeda and Taliban isolated Pakistan substantially at a time when India was looking for new friends and its economy started to look interesting.

Two forces dominated the geopolitical context in the first decade of the 21 century — China and technology. China became the

second-largest economy in the world with its GDP going from \$1 trillion to \$10 trillion dollars in 15 years. At the same time, the progress in technology was transformative on the back of massive computing power, ubiquitous high-speed connectivity, cheap and unlimited storage and the creation and capture of enough data to make machine learning intelligent and powerful. As a result, technological power and cyber capabilities also became a superpower compulsion. These two developments have led to a change in the basis of power and geopolitical alignment in today's world. It has all happened in 15 years. Power now needs to be evaluated on four levels — military, economic, cyber and soft power.

Interestingly, now different countries lead in different areas, making alignment and geopolitics more complicated. Militarily, it is still the US and Russia in the lead. China is a clear third. In terms of economic power, the US leads followed by China, and Russia does not figure. In the cyber domain, five countries have established positions - the US, China, Russia, Israel and Iran and others are lagging. Consider the Russian attack on the US elections, the purported cyber-attack by the US on Iran, the banning of Huawei, Iranian cyber-attacks on the Saudis and China's great strength in digital and artificial intelligence. In soft power, the US leads but China and Russia don't really feature. In fact, India has a play.

If we just observe India's actions, it is comforting to note we are following a multilayered strategy, walking a complicated tightrope. We continue to ally with Russia on arms' purchases with our purchase of the S-400 Air Missile System, despite the threat of American sanctions. Economically, though, we are trying to get closer to the US and are not fighting their unilateral sanctions against Iran on oil, despite the substantial impact on our balance of payments. It is both sad and ironic that despite our great capability in technology and our big presence in Silicon Valley, we lag in cyber preparedness at great risk to ourselves. India's movement on data localisation is needed. Even Europe has imposed the GDPR. But overall, we need to act fast.

With soft power, India is doing better. We are advancing with our music, food and Bollywood and are going beyond West Asia into the affluent Indian diaspora in the US and UK. In a nightclub in Seattle in early June, I was surprised to see people dancing to Bollywood music. Getting the UN to recognise a World Yoga day has been a master stroke by Prime Minister Narendra Modi. We saw the whole world practising Yoga — at Times Square in New York, outside the Eiffel Tower in Paris, in many cities in China and on top of the Opera House in Sydney. This is a great first step but our inbound tourism still lags behind.

If we act, we are well positioned. Faster arms purchases, developing cyber capability and using technology to address major gaps in education and healthcare are needed. We have the opportunity but not the right to become a third major power. No one will give it to us. Can we work towards taking it?

The writer is chairman, BCG India. Views are personal

## LETTERS TO THE EDITOR

### DISCIPLINE THE PARTY

THIS REFERS TO the editorial, 'The PM's message' (IE, July 4). The prime minister's message was needed in order to ensure discipline within his own party. BJP workers must take his words seriously because the Indore incident has tarnished image of the party. The unrepentant attitude of Akash Vijayvargiya is worrying and disciplinary action should be taken against him.

Sanjay Chawla, Amritsar

### GENDER AND CASTE

THIS REFERS TO the article, 'Art From Above' (IE, July). The author brings to fore the issue of discrimination and atrocities targeting women across the social strata, which has almost become a cliché. Whereas a reading of Dalit society in particular makes it explicit that, owing to the lack of gender-based division of labour and greater participation of women in labour, besides the democratic nature of social relations within the family and the community, Dalit women have a certain level of autonomy and freedom.

G Javid Rasool, Lucknow

### REVIVE CONGRESS

THIS REFERS TO the report, 'Rahul quits as Cong chief: Hard decisions, accountability needed' (IE, July 4). Now that the uncertainty around Rahul Gandhi's resignation has ended, the Congress should start building an organisational

### LETTER OF THE WEEK AWARD

To encourage quality reader intervention, The Indian Express offers the Letter of the Week award. The letter adjudged the best for the week is published every Saturday. Letters may be e-mailed to [editpage@expressindia.com](mailto:editpage@expressindia.com) or sent to The Indian Express, B-1/B, Sector 10, Noida-UP 201301. Letter writers should mention their postal address and phone number.

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structure that facilitates direct election of the party leader by party workers. A leader elected through such a massive backing is bound to have competence and credibility. Moreover, the decimation of smaller caste-centric regional parties that have been chipping away at its vote bank offers the Congress a good opportunity to regain the centre-left political space. But this is only possible through a robust organisation.

SB Bhalerao, Mumbai

## THE URDU PRESS

### LYNCH MOBS

“Prime Minister Jacinda Ardern took charge and empathised” with the community, lynching of Tabrez Ansari in Jharkhand on June 26 has an editorial titled paper believes that “the prime minister’s message” (mob violence). The in Parliament using Tabrez Ansari’s name, the paper expresses says that minorities because. While he appeared to be wanting to do things “would improve after the demn the murder, he ended up deepening the fear in the hearts of minorities Jharkhand government”. The editorial said, “PM Modi had said before he took that “this is a kind of a political statement and the second time that his government the PM has tried to evade responsibility towards the progress of 130 crore did not make it clear that as the leader of the country, he had also taken the name of minority BJP, will he put pressure on the Jharkhand government and said that we don’t treat emment and force them to act?” them like a vote bank as others do. He had ac-Aag on June 27 has an editorial titled, “The PM also said the government to Tabrez Ansari’s wife. The editorial said, “The PM had kept under.” But within days, says says: “It is sad that the towards decision of the court, circumstances again “disap-claim the act of violence loudly and pointed to minorities.”

On July 2, Munsi returns to the theme of lynching and says: “We need the government fearlessly.” The paper is of the opinion that the serious note of all this and prohibit “women the world over are expected to be in situations and *dehshat-pasand* loving, but in Tabrez’s case how did the government-friendly people) by enacting a law come so harsh and hard? This move is prohibited to force people to chant cern.” The editorial goes onto to involve such people who force others to do Muslim killings in New Zealand and this must get life imprisonment and even death may be considered. Non-bailable war-

rants must be issued against them and one of the victims’ children must get a government job and proper compensation.”

### DILUTING ARTICLE 370

THE FORCE WITH which statements to remove Article 370 are being made by Union ministers and those in the ruling party has received much comment.

*Inquilab* on July 3 speaks of how “a section of our politicians has always stood against the grain of our Constitution”. The paper is alluding to an accommodative and far-sighted drawing up of Article 370, under which Jammu and Kashmir acceded to India. It says: “Amit Shah termed Article 370 as temporary, but he was rebutted point by point by former chief minister of the state, Farooq Abdullah, who said that if the Article is temporary, then the accession of the state is also temporary”. The paper elaborates that “there is no doubt that Narendra Modi and Shah aim to be like other strong leaders of the country. In this quest, they think of Sardar Patel as their ideal... they are perhaps forgetting that even Sardar Patel could not swing Jammu and Kashmir”.

*Awadhnama* on June 29 states that Amit Shah should look ahead and not backwards. The paper writes: “Shah at one level blames the founder of modern India, Jawaharlal Nehru, as being responsible for Kashmir, but he himself cannot handle today’s Kashmir” The paper links Kashmir and the situation faced by Indian Muslims, since both are exclusionary. It opines that: “The need of the hour is to take Kashmiri youths into confidence and ensure a river of progress flows there. India’s Muslims, too, need to be guaranteed they will be free from mob lynching. Mob lynching is a blot of the face of India.”

### CUTTING BOTH WAYS

IN A THOUGHTFUL editorial on July 3, *Roznama Rashtriya Sahara* discusses social media. It ends by drawing a line, between social media, where non-journalists want to put everything out, as opposed to journalists who must decide what must be put out and how, social concern must be weighed and awareness created without just stoking negativity.

Compiled by Seema Chishti





## Blue-sky visions

The ambitions of the Economic Survey depend on the implementation of its ideas

The Economic Survey for 2018-19 reflects the views of its principal author, Chief Economic Adviser (CEA) Krishnamurthy Subramanian. And the CEA has made bold to use the new government's first economic assessment-cum-agenda setting exercise to posit a range of ideas that he attributes to "blue sky thinking". From an embrace of a "world that is in constant disequilibrium", and the need therefore to adapt to it, to the stress on drawing upon Richard Thaler's work in the behavioural economics of 'nudge' for addressing issues including gender equality, savings and tax compliance, the survey attempts to reset multiple paradigms. The broad goal is to help drive economic strategy to achieve sustained real GDP growth of 8% so as to enable fulfilment of the government's grand vision of making India a \$5 trillion economy by 2025. For that, the first task is to take stock of the economy's current state. The CEA is cautiously confident that the slump in investment, which he rightly identifies as the key driver of growth, jobs and demand, has bottomed out. Setting the huge electoral mandate for the government as an enabler that would "push the animal spirits of the economy", the survey projects real GDP growth to rebound to 7% in 2019-20. But the CEA doesn't shy away from flagging 'consumption' as being crucial in determining the growth trajectory in the current fiscal year, and in pointing out its vulnerability to the health of the monsoon-dependent rural economy. With rainfall as on July 3 about 28% less than average and large parts of southern and western India in the grip of a crippling drought, clearly the circumsppection appears well warranted.

On the fiscal front, the survey is even less optimistic. It lists several challenges to achieving the fiscal deficit target of 3% of GDP by March 2021: the "apprehensions of slowing of growth" and the implications for revenue collections; the shortfall in GST collections and the imperative that it places on revenue buoyancy this year; the hunt for resources to fund the expanded PM-KISAN scheme, Ayushman Bharat and other government initiatives; and the impact on oil purchase prices due to the U.S. sanctions on import of crude from Iran. It is, however, on the policy prescriptions front that the CEA comes into his own. Central to the recommendations is the focus on triggering a self-sustaining "virtuous cycle" of savings, investment and exports. To achieve which, he suggests, presenting data as a 'public good', ensuring policy consistency and reducing the cost of capital. Micro, small and medium enterprises must be nourished, especially firms that are most likely to boost both job creation and productivity, and labour laws made flexible. Ultimately, it is the implementation that may well decide how "blue sky" these ideas are.

## Raising the bar

Rahul Gandhi has forced a churn in the Congress that might lay the basis for a revival

With Rahul Gandhi stating categorically that he would not continue as Congress president, one uncertainty that had gripped the party has ended. But this culmination does not end the disorder and chaos in the party, which is in a state of paralysis since its rout in the parliamentary election. Mr. Gandhi's letter of resignation is part self-reflection, about the Congress in general and his own personal role in it, and part a critique of the state of affairs of Indian politics. Mr. Gandhi felt the need for introspection and accountability, and restated his long-held position that he was in politics not for power but social change. By sticking to his decision to quit as party chief, he has thrown a challenge at his colleagues to find a life outside the shelter of the Nehru-Gandhi family. The coterie that flourished around his mother and predecessor Sonia Gandhi had reduced politics to manipulation and turned the party into an instrument of vested interests. A small club of self-seekers who reinforce one another and don't face the electorate had taken over the Congress years before Mr. Gandhi came on the scene. His letter is an indictment of these leaders, whose personal fortunes never waned, even as the party's plummeted.

Mr. Gandhi's limitation is not in his understanding of the challenges before the party or the country, or in his vision for both. His inexact articulation is not reflective of any insurmountable weaknesses. His real failure has been his inability to free the party from the clutches of what his father Rajiv Gandhi had famously called power-brokers. In calling for accountability, he is effectively asking a group to self-destruct for the larger cause of the party, which in turn must fight for the larger cause of the country. By refusing to be the façade for their parasitical existence, Mr. Gandhi might have forced a productive churn at all levels. Any moral appeal could only have had a limited impact on the seasoned veterans, but the example Mr. Gandhi set by accepting responsibility for the defeat while reiterating his commitment to the larger cause might help inspire a resuscitation of the party. But questions abound. Mr. Gandhi himself will remain active in politics, as he has made clear, but how much authority he would want to exercise remains an open question. His insistence on stepping aside also comes from a realisation that the dynasty tag is more a drag than a booster for his politics, and the party, in the current environment. The process of reducing the Congress to a family enterprise had started with Mr. Gandhi's forbears and their supporters as much as their opponents. Only a family member could have sought to challenge the notion that the Congress cannot survive without the dynasty. If the absence of a Nehru-Gandhi at the helm was a precondition for the reconfiguration of the Congress and the formation of a viable alternative to Hindutva, Mr. Gandhi has created that situation.

# Expanding India's share in global space economy

ISRO should embrace a civilian identity and, aided by legislation, form partnerships with the industry and entrepreneurs



RAKESH SOOD

From a modest beginning in the 1960s, India's space programme has grown steadily, achieving significant milestones. These include fabrication of satellites, space-launch vehicles, and a range of associated capabilities.

Today, the Indian Space Research Organisation (ISRO)'s annual budget has crossed ₹10,000 crore (\$1.45 billion), growing steadily from ₹6,000 crore five years ago. However, demand for space-based services in India is far greater than what ISRO can supply. Private sector investment is critical, for which a suitable policy environment needs to be created. There is growing realisation that national legislation is needed to ensure overall growth of the space sector. The draft Space Activities Bill introduced in 2017 has lapsed and the government now has an opportunity to give priority to a new Bill that can be welcomed by the private sector, both the larger players and the start-ups alike.

### ISRO's thrust areas

Since its establishment in 1969, ISRO has been guided by a set of mission and vision statements covering both the societal objectives and the thrust areas. The first area was of satellite communication, with INSAT and GSAT as the backbones, to address the national needs for telecommunication, broadcasting and broadband infrastructure.

Gradually, bigger satellites have been built carrying a larger array of transponders. About 200 transponders on Indian satellites provide services linked to areas like telecommunication, telemedicine, television, broadband, radio, disaster

management and search and rescue services.

A second area of focus was earth observation and using space-based imagery for a slew of national demands, ranging from weather forecasting, disaster management and national resource mapping and planning.

These resources cover agriculture and watershed, land resource, and forestry managements. With higher resolution and precise positioning, Geographical Information Systems' applications today cover all aspects of rural and urban development and planning. Beginning with the Indian Remote Sensing (IRS) series in the 1980s, today the RISAT, Cartosat and Resourcesat series provide wide-field and multi-spectral high resolution data for land, ocean and atmospheric observations.

A third and more recent focus area is satellite-aided navigation. The GPS-aided GEO augmented navigation (GAGAN), a joint project between ISRO and Airports Authority of India, augmented the GPS coverage of the region, improving the accuracy and integrity, primarily for civil aviation applications and better air traffic management over Indian airspace. This was followed up with the Indian Regional Navigation Satellite System (IRNSS), a system based on seven satellites in geostationary and geosynchronous orbits.

It provides accurate positioning service, covering a region extending to 1,500 km beyond Indian borders, with an accuracy greater than 20 metres; higher accuracy positioning is available to the security agencies for their use. In 2016, the system was renamed NavIC (Navigation with Indian Constellation).

With growing confidence, ISRO has also started to undertake more ambitious space science and exploration missions. The most notable of these have been the Chandrayaan and the Mangalyaan missions, with a manned space

mission, Gaganyaan, planned for its first test flight in 2021. These missions are not just for technology demonstration but also for expanding the frontiers of knowledge in space sciences.

None of this would have been possible without mastering the launch-vehicle technology. Beginning with the Satellite Launch Vehicle (SLV) and the Augmented Satellite Launch Vehicle (ASLV), ISRO has developed and refined the Polar Satellite Launch Vehicle (PSLV) as its workhorse for placing satellites in low earth and sun synchronous orbits. With 46 successful missions, the PSLV has an enviable record.

The Geosynchronous Satellite Launch Vehicle (GSLV) programme is still developing with its MkIII variant, having undertaken three missions, and is capable of carrying a 3.5 MT payload into a geostationary orbit. Compare this to the French Ariane 5, which has undertaken more than 100 launch missions and carries a 5 MT payload, with an Ariane 6 in the pipeline for 2020.

Over the years, ISRO built a strong association with the industry, particularly with Public Sector Undertakings (PSUs) like Hindustan Aeronautics Limited, Mishra Dhatu Nigam Limited and Bharat Electronics Limited and large private sector entities like Larsen and Toubro, Godrej and Walchandnagar Industries. However, most of the private sector players are Tier-2/Tier-3 vendors, providing components and services. The Assembly, Integration and Testing (AIT) role is restricted to ISRO, which set up Antrix, a private limited company, in 1992 as its commercial arm to market its products and services and interface with the private sector in transfer of technology partnerships.

Today, the value of the global space industry is estimated to be \$350 billion and is likely to exceed \$550 billion by 2025. Despite ISRO's impressive capabilities, India's share is estimated at \$7 bil-



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lion (just 2% of the global market) covering broadband and Direct-to-Home television (accounting for two-thirds of the share), satellite imagery and navigation. Already, over a third of transponders used for Indian services are leased from foreign satellites and this proportion will rise as the demand grows.

Developments in Artificial Intelligence (AI) and big data analytics has led to the emergence of 'New Space' – a disruptive dynamic based on using end-to-end efficiency concepts. A parallel is how the independent app developers, given access to the Android and Apple platforms, revolutionised smartphone usage. New Space entrepreneurship has emerged in India with about two dozen start-ups who are not enamoured of the traditional vendor/supplier model but see value in exploring end-to-end services in the Business-to-Business and Business-to-Consumer segments. However, these start-ups have yet to take off in the absence of regulatory clarity.

### 'New Space' start-ups

The New Space start-ups discern a synergy with government's flagship programmes like Digital India, Start-Up India, Skill India and schemes like Smart Cities Mission. They see a role as a data-app builder between the data seller (ISRO/Antrix) and the end user, taking advantage of the talent pool, innovation competence and technology know-how. They need an enabling ecosystem, a culture of accelerators, incubators, Venture Capitalists and mentors that exists

# Talking sanctions, endangering peace

The Trump administration's successive punitive actions against Iran can only be interpreted as a desire for direct conflict



SUVRAT RAJU

More than a year ago, the U.S. unilaterally abrogated the Joint Comprehensive Plan of Action (JCPOA) and began to squeeze the Iranian economy using sanctions. The latest round of sanctions were announced in June. Iran announced a week later that it had exceeded a limit set by the JCPOA on its stockpile of nuclear fuel.

The U.S.-Iran conflict is often portrayed in the media as one that involves two flawed actors struggling for supremacy on a complex West Asian stage. But a closer look reveals a simpler underlying reality: the Donald Trump administration is using the U.S.'s clout in an old-fashioned attempt to assert the country's hegemony; Iran is just doing whatever it can to resist U.S. pressure.

### The Shah connection

The roots of this dispute can be traced back to 1953, when the Central Intelligence Agency orchestrated a coup to remove Iran's elected Prime Minister, Mohammad Mossadegh. After instituting the rule of Shah Mohammad Reza Pahlavi, the U.S. encouraged him to establish a nuclear programme.

The U.S. built Iran's first nuclear reactor in 1967. The Shah was clear that his ambitions went beyond nuclear energy, and extended to nuclear weapons. In 1974, he explained that Iran would acquire nuclear weapons "without a doubt, and sooner than one would think." Nevertheless, the West continued to provide nuclear technology to his government.

After the Shah was toppled in 1979, the new government, under Ayatollah Ruhollah Khomeini, cancelled his plans for a large nuclear-energy sector, retaining only those facilities that had already been established. Khomeini also declared that nuclear weapons and other weapons of mass destruction (WMDs) were *haram* – forbidden in Islam. Whatever one may think about Khomeini's government, his spiritual injunctions were taken very seriously. When Iraq attacked Iran with chemical weapons, with the tacit support of the Ronald Reagan administration, Tehran refrained from responding in kind despite having the requisite technology.

It is possible that during the Iran-Iraq war, some elements within the Iranian establishment started exploring the possibility of developing a nuclear deterrent. Even if this was the case – and the evidence on the matter is far from conclusive – these activities were definitely stopped by 2003. In the same year, Khomeini's successor, Ayatollah Ali Khamenei, issued an



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unambiguous fatwa against nuclear weapons.

Soon after invading Iraq on the false pretext that it had WMDs, the U.S. attempted to build a similar narrative around Iran, which had established a modest programme to enrich uranium to fuel its existing reactors. The U.S. alleged that the fuel was intended for a bomb. These allegations were undercut by U.S. intelligence agencies themselves who reported that "in fall 2003 Iran halted... nuclear weapons... activities". In 2015, after a multi-year investigation, the International Atomic Energy Agency (IAEA) went further, declaring that "activities relevant to... a nuclear explosive... did not advance beyond feasibility and scientific studies" and, as a "coordinated effort", were only carried out "prior to the end of 2003".

In spite of these facts, successive U.S. administrations imposed sanctions on Iran, demanding that it completely halt uranium enrichment. It was only during President Barack Obama's second term that the U.S. sought a temporary truce,

leading to the JCPOA.

The JCPOA recognised Iran's right to maintain a civilian nuclear programme, but placed significant restrictions on its size and scope for 10 to 15 years. Most importantly, Tehran reiterated that "under no circumstances" would it "seek... nuclear weapons." The IAEA was granted unprecedented powers to inspect Iran's nuclear activities, and has repeatedly verified Tehran's compliance.

So, when the Trump administration ceased to abide by the JCPOA last year, this could only be interpreted as a message that the U.S. was not interested in arms control, but rather in initiating a direct conflict with Tehran.

### An economy devastated

Over the past year, the U.S. has made threats, mobilised troops and warships, and provoked Tehran by flying military planes dangerously close to its border. However, Washington's primary strategy has been to use economic measures as a weapon. It has prevented foreign entities from trading with Iran, devastating the Iranian economy.

India has also been hurt by these policies. Until recently, Iran was one of India's largest oil suppliers. Even though Iranian oil came with discounts on freight, and favourable terms of payment, the Indian government obeyed Washington's dictates and stopped purchasing oil from Iran in May.

in cities like Bengaluru which is where most New Space start-ups have mushroomed.

Equally, clear rules and regulations are essential. ISRO can learn from its 1997 SatCom policy which neither attracted any FDI in the sector nor a single licensee. A similar situation exists with the Remote Sensing Data Policy of 2001, amended in 2011, which too has failed to attract a single application. The 2017 draft Bill raised more questions because it sought to retain the dominant role of ISRO/Antrix as operator, licensor, rule-maker and service provider.

Another revolution under way is the small satellite revolution. Globally, 17,000 small satellites are expected to be launched between now and 2030. ISRO is developing a small satellite launch vehicle (SSLV) expected to be ready in 2019. It is a prime candidate, along with the proven PSLV, to be farmed out to the private sector. This requires giving it responsibility for AIT activities.

Years ago, ISRO launched the idea of Village Resource Centres to work in collaboration with local panchayats and NGOs but only 460 pilots have begun. Expanding this for rural areas is a formidable challenge but has the potential to transform rural India if properly conceived as a part of the India Stack and the Jan Dhan Yojana.

With the Ministry of Defence now setting up a Defence Space Agency and a Defence Space Research Organisation, ISRO should actively embrace an exclusively civilian identity. A new Space law for India should aim at facilitating growing India's share of global space economy to 10% within a decade which requires a new kind of partnership between ISRO, the established private sector and the New Space entrepreneurs.

*Rakesh Sood is a former diplomat and currently a Distinguished Fellow at the Observer Research Foundation. Email: rakeshsood2001@yahoo.com)*

India's investments in Iran's Chabahar port are nominally exempt from U.S. sanctions, but they have been damaged anyway since suppliers are reluctant to deliver equipment. The sanctions have also prevented ONGC Videsh, which discovered the Farzad B gas field off Iran's coast, from pursuing its investments there.

Further, New Delhi has refused to explore several available strategies that could ameliorate the impact of sanctions. China has maintained some commercial ties with Iran by routing transactions through the Bank of Kunlun. U.S. sanctions on this bank have been ineffective since it is carefully insulated from the U.S. financial system. European countries have attempted to bypass sanctions through a special mechanism called INSTEX.

It is revealing that India has failed to join any of these initiatives or to develop its own solution. A few months ago, Prime Minister Modi boasted that India's foreign policy had become "fearless, bold and decisive". Is this fearlessness restricted to India's interactions with its smaller neighbours, or is his government also willing to stand up to the biggest bully in the room and protect India's interests from Washington's destructive policies?

*Suvarat Raju is a physicist associated with the Coalition for Nuclear Disarmament and Peace. Views are personal*

## LETTERS TO THE EDITOR

Letters emailed to letters@thehindu.co.in must carry the full postal address and the full name or the name with initials.

### Rahul bows out

Rahul Gandhi's resignation as Congress president is a rare instance of a leader accepting responsibility for his party's defeat in elections (Page 1, "Rahul Gandhi formally quits as party chief, makes letter public" July 4). The fact that his party won 19% of the national vote share attests to its political relevance. The need of the hour for the party is to choose a strong successor to Mr. Gandhi, someone who can help Congress regain the trust of the voters. Indira Gandhi lost the 1977 election following

the Emergency, but made a strong comeback in 1980 by winning back the people's confidence. Mr. Gandhi's successor can take a leaf out of Mrs. Gandhi's book.

JAYANT MUKHERJEE, Kolkata

■ The Congress should learn to sail through difficult times even without a captain from the Nehru-Gandhi family. It should go back to the leadership system it followed in the pre-Independence period, by electing presidents for a year and conducting sessions in different parts of the country. The party should

stand for the principles of truth and non-violence. The next president should also put all his efforts to bring back the breakaway parties like Trinamool Congress, the Nationalist Congress Party and the YSR Congress Party back into the Congress's fold. Finally, it should utilise the popularity of Mr. Gandhi to consolidate its presence across the country.

K. MUHAMMED ISMAVIL, Kodalvely, Kerala

### Petition to EC

It is laudable that a group of former senior civil servants have listed out serious irregularities in the conduct

of the 2019 elections (News page, "Ex-officials cast doubt on poll result," July 4). The common man was a witness to blatant violations of the Model Code of Conduct by leaders and parties, transgressions ignored by the Election Commission. The poll body also did not make public the dissenting opinion of Ashok Lavasa. However, one wonders whether the petitioners can expect an honest reply from the EC.

THARUN S. FERNANDO, Chennai

### Rayudu retires

Ambati Rayudu's decision to retire, after being snubbed

twice for the World Cup, does not come as a surprise. Mr. Rayudu, a reliable middle-order batsman, was all along tipped to fill the crucial No. 4 spot in the team and should have found a place in the original squad. But it was shocking that he was not considered even

after two players got injured. Of course, he is not the first victim of the cricketing body's whimsical selection process and, one fears, he will not be the last either.

N. VISWANATHAN, Coimbatore

MORE LETTERS ONLINE: www.hindu.com/opinion/letters/

**CORRECTIONS & CLARIFICATIONS:** >>The report about Telugu poet and activist Varavara Rao being brought to Karnataka – "Karnataka police take Varavara Rao into custody in 2005 case" (South page, July 4, 2019) – talks about the 2005 naxal attack in Pavagada taluk of Kolar district. It should be *Tumakuru* district.

It is the policy of The Hindu to correct significant errors as soon as possible. Please specify the edition (place of publication), date and page. The Readers' Editor's office can be contacted by Telephone: +91-44-28418297/28576300 (11 a.m. to 5 p.m., Monday to Friday); Fax: +91-44-28552963; E-mail: readerseditor@thehindu.co.in; Mail: Readers' Editor, The Hindu, Kastur Buildings, 859 & 860 Anna Salai, Chennai 600 002, India. All communication must carry the full postal address and telephone number. No personal visits. The Terms of Reference for the Readers' Editor are on www.thehindu.com



# Can the government help create jobs?

PARLEY

Expansion of public employment and a national skilling programme could boost employment

*Data released by the Labour Ministry show that the unemployment rate in 2017-18 was 6.1%, arguably the highest in 45 years. The Periodic Labour Force Survey (PLFS) findings have been the subject of intense scrutiny and debate ever since a leaked report in January revealed a surge in joblessness as well as a drop in the labour force participation rate. In a conversation moderated by Suresh Seshadri, Jayati Ghosh and Ajit Ranade discuss the issue. Edited excerpts:*

**Dr. Ranade, how much confidence do you place in the PLFS data and what do you draw as the key conclusions from it?**

**Ajit Ranade:** This was started as a pilot project about two years ago and the purpose was to get a much more granular and in-depth understanding of the labour market. And there was a change in methodology, from sampling based on expenditure categories, which was done by the National Sample Survey (NSS), to education status. So, of course this is a very welcome initiative, because we need better data on the labour market. As far as how much confidence we have, since this is the best we've got, I think we have to use this data. I'm sure it will be fine-tuned and perhaps the numbers will become more reliable, but as such the numbers do tally with other indicators of the labour market conditions or the economy's condition.

**Dr. Ghosh, you had in a blog post pointed to how the PLFS data coheres with other estimates including those of the CMIE. How do you then view opinions that posit that the unemployment rate is painting an inaccurate picture when viewed in the backdrop of rising school and college enrolment?**

**Jayati Ghosh:** Many of the criticisms of the PLFS survey are actually not very well informed because they are suggesting that the results are not comparable with the earlier

large sample surveys of the NSS. The sampling method has not changed; it's never been a stratified sample, it's always been a random sample of households and it always tries to capture as many different forms and levels of education, occupation and so on and so forth. That's the point of the sample.

The PLFS is different because it was trying to get quarterly data: that is, how does the employment of the same family vary across every quarter, and that is very important and would have been very useful. However, what the earlier NSS used to do was to take just one quarter for each household and extrapolate to that for the whole year. If you take the same PLFS data and do that, you get completely comparable data. The PLFS will give us slightly better estimates of how the same family, the same household, responds over a period – over four quarters of the year: do they stay in employment, do they lose employment, does it go from casual to regular and so on and so forth. In that sense, it's a better survey. The trouble is that it was really meant to be continuous. We were not supposed to have any gaps in it at all. So, not only did we get only one year's data but we then didn't get that for a very long time because it was suppressed.

But, essentially, what it is showing us fits very well with all the other unfortunate indicators, which are that there is a real problem of divergence of output growth and employment in the country. Unemployment actually reflects those who are in the labour force. If you are in education, you are simply not in the labour force. Those who say, "Oh, it doesn't capture the fact that more and more people are in education" don't know what they're talking about. Because the unemployment rate is the ratio of those who are actually seeking work to all of those who are either employed or seeking work. If you are in education or training, you are not in the labour force. The high unemployment rate, however, does possibly reflect the impact of previous education, which is, and that shows in the data, the more educated you are, the more likely you are to be unemployed.



played. The highest unemployment rates are found among the tertiary educated, that is, those who have done beyond high school, and that reflects the fact that you're then not willing to take just any job; that you will actually try and wait and hope to get something that, at least, is vaguely related to your qualifications.

**If one accepts the premise that improved access to education has led to a more aspirational youth segment, which in turn is loath to work in low remuneration jobs, how do we tackle the problem?**

**AR:** This is a very big key challenge to having adequate, good-quality, well-paying jobs and this is a very large agenda. But since you asked me what would help, then one can think of multiple things, each of which is probably a small step but it does help. For example, setting up an enterprise. As you know, in India there are perhaps 60 million odd enterprises, and mostly in the unregistered sector. And out of the 60 million only about one, one-and-a-half million, 1.2 million actually contribute towards Provident Fund or ESI [Employees' State Insurance]. So, a very large proportion is in the unregistered or informal sector. So, as a first step, perhaps we can make it easy for these firms to get registered, or to comply. So, the big, big challenge is in the ease of doing business, setting up businesses, getting them registered. You have multiple registrations – you need to register for GST, for ESI [ESI Corporation], for Provident Fund.

**The PLFS data will be fine-tuned, but as such the numbers do tally with other indicators of the labour market conditions or the economy's condition.**

There are probably dozens and dozens of registrations. This just makes it very hard for the whole process, to set up and start employing people. Then, you have this thing about on-the-job training, that workers need to be skilled but employers don't want to invest in skilling. We need a portable national programme where you acquire apprenticeships in one firm, you solve this problem of underinvestment in skilling by individual firms, so that is a very big agenda. But this is a huge challenge, how to get firms to hire in bigger numbers and how to get them a little more into the formal, registered sector.

**Dr. Ghosh, is the situation of decades-high joblessness more a result of the economy's trajectory or an outcome of government policies?**

**JG:** It's clearly both. This is a process that's been ongoing for about 15 years, this separation of economic activity and job creation. So, I think it's a deeper structural problem and part of the difficulty that I am having with the current government is that whenever you talk about joblessness, they seem to see this as a political attack, whereas this is really an issue of economic policy that has deeper roots.

Now, in terms of what you do about it, I think some of the issues

that Dr. Ranade mentioned are certainly valid, but I would argue that you also need a very large push in terms of the expansion of public employment. And there are two reasons for this. One, public employment has very obvious, standard multiplier effects, which are fairly pronounced in a country like India, and we know that we are hugely lacking in terms of the public services that we provide our people.

If you look at the average of public employees per population, which is a kind of indicator of what public services you're providing: globally the average is 3.5 per 100 people, in Europe it's more like 6 per 100, in Scandinavia it's as high as 8 per 100, in India it's less than 2 per 100. We are under-providing public services. It's not just in health and education. If you actually bring public services up to a minimum level that is required of, let us say, even a lower middle-income country, Kenya, you would require a tripling of public employment. That, in turn, has massive multiplier effects. All these people who you pay will get incomes that they will go out and spend, and when they spend they will create demand; there's a huge paucity of demand in the economy. With that demand, you will get the emergence of new activities, which will then generate the kind of entrepreneurs that Dr. Ranade was talking about and then if there are start-ups, if there are micro entrepreneurs, they will have a market to cater to. In other words, you really have to have a big employment push from the government.

**Dr. Ghosh, this talk about the need for reforms to labour legislation, has it been a little wrong-headed? Instead of focusing on easing restrictions on hire and fire and contractual hiring norms, should we move towards ensuring more formalisation, say of high-volume job-creating sectors like construction, with more supportive laws? There are some laws, but I think it's at the State level and not all of them have been implemented well.**

**JG:** You put your finger on it. None of them is enforced. We have actually pretty good legislation for construction workers; we have a num-

ber of laws and regulation for various other workers. Mostly they are not implemented. On the other hand, you do have inspector raj of a most terrible kind for small and micro-entrepreneurs. It's a peculiar combination of the worst of all possible worlds, whereby the legislation and things that would actually protect workers are simply not enforced, and all the kinds of things, the flexibilities that small producers do need are not allowed to them or rather they'd have to pay massive bribes to be able to take advantage of any kind of flexibility.

Whether it is your street vendor or it is a small person running a small factory or a small service provider, all of them have to face the rather oppressive hand of the state in different ways, which doesn't really help them in terms of improving their productivity. Now, does that mean that we should just allow the freedom to hire and fire? I frankly think that's a red herring. I mean, factories do what they want anyway, this is all nonsense that they cannot expand. I will take you to factories in the National Capital Region where more than half of their workforce are actually daily wagers and do not have a permanent contract. So, this notion that factories can't expand, or employers can't expand because of labour laws, I think it's completely off track.

**AR:** On labour laws, I think we have to move towards a system where the laws protect the worker but not the job. So, worker protection is paramount but not job protection.

**JG:** I would argue that at the moment they protect neither.

**Lastly, if there's one single key intervention that the government can do to create jobs, what would be your prescription?**

**JG:** Fill the vacancies [in the government sector], but expand good quality public employment.

**AR:** I would support filling up the vacancies, which are more than two million. But also, a national-level apprenticeship programme with portability, subsidised and well-defined accreditation, which you can take to any part of India.



**Jayati Ghosh** is Professor of Economics at Jawaharlal Nehru University



**Ajit Ranade** is Chief Economist with the Aditya Birla Group



Scan the QR code to listen to the full interview online

## An upbeat tone amid tensions

The gushing rhetoric between India and the U.S. says something about the strength of the relationship

MICHAEL KUGELMAN

In recent weeks, amid an upsurge in U.S.-India tensions, the rhetoric on both sides has remained remarkably upbeat. While there has been ample criticism from senior U.S. and Indian officials, it has largely been directed at policies rather than at the partnership. Even U.S. President Donald Trump's India-directed taunts tend to target the issues that aggravate him rather than the relationship.

### Gushing rhetoric

Witness, for example, U.S. Secretary of State Mike Pompeo's effusive praise for the partnership in June. "We've come a long way," he said. "And now the Trump administration and the Modi administration have an incredibly unique opportunity to take advantage of this special partnership. We can move further." Mr. Pompeo and External Affairs Minister S. Jaishankar expressed similar sentiment about the relationship and expressed hope that they could overcome its obstacles when they held a joint press conference in New Delhi several days ago. And President Trump himself said of the relationship at the G20 meeting in Osaka: "We have become great friends and our countries have never been closer. I can say that with surety."

Given that the U.S.-India relationship is suffering through one of its most challenging periods in years, it's natural to dismiss such happy talk as a mere ploy to mask the serious strains in the partnership. In reality, the gushing rhetoric is more significant than it may seem – and it says something about the continued strength of the relationship.

For one thing, it is a reminder of just how much worse things could be. The last time the relationship faced a particularly bad stretch was in 2013, when India's deputy consul general in New York, Devyani Khobragade, was arrested in New York, subjected to a strip search, and briefly jailed. During that tense period – much tenser than today – there was no happy talk, only angry words. One

Indian official described Ms. Khobragade's treatment as "despicable and barbaric," while another fumed that "we're not a banana republic". In a dramatic response, New Delhi removed security barriers from the U.S. Embassy and revoked many perks for American diplomats in India.

### Imperative to move forward

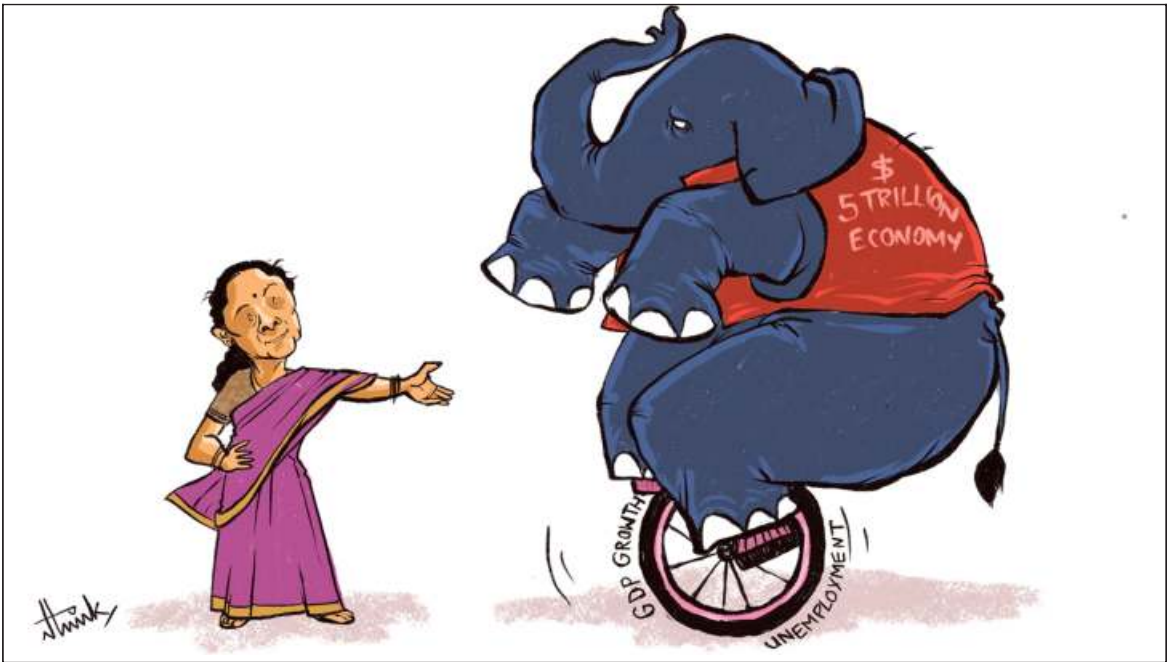
In contrast, today the criticism is softer and the reprisals less dramatic. In fact, until New Delhi's recent decision to slap retaliatory tariffs on the U.S., India had been very restrained amid the intensification of trade tensions. Additionally, the positive messaging from both sides signals the commitment of both countries to work through their disputes – a commitment rooted in the realisation that there is a strategic imperative to move forward. Washington and New Delhi appear to genuinely believe



that their shared vision for Asia – a free, open, rules-based system meant to push back against Chinese power – ensures a continued strong partnership. To be sure, such future comity is far from guaranteed. As pointed out in a recent essay by the Brookings Institution, converging U.S.-India views on China following the 1962 India-China war did not lead to deeper cooperation. Still, the positive rhetoric telegraphs the belief on both sides that the relationship, wars and all, remains on a positive trajectory, at least for now.

Also, the relationship could eventually turn sour and even plunge into a full-blown crisis. Imagine if the U.S. were to investigate India's trading practices, or if it penalises New Delhi for completing its S-400 deal with Russia. Such moves would ratchet up tensions to the point where any effusive rhetoric would sound disingenuous more than reassuring. But that's not where we are today.

The writer is Deputy Director and Senior Associate for South Asia with the Asia Program at the Woodrow Wilson International Centre for Scholars, Washington, DC



### NOTEBOOK

## The many ways of watching a movie

One man's abuse is often entertainment for many

NAMRATA JOSHI

Sometimes it's not a movie but the experience of watching a movie that stays in the mind – and not entirely for the right reasons. For me, the popular *Once Upon A Time In Mumbai* franchise will always be about grandiloquent lines. There is one exchange in *Once Upon A Time In Mumbai Dobaara!* between Akshay Kumar and Sonakshi Sinha in which Kumar tells his lady-love: "Paanch minute mein izzat utaar sakta hoon (I can rape you in five minutes)." I don't know what hit me more: the obnoxiousness of the hero and his expression of so-called love or the catcalls and whistles of the audience in reaction to this statement. The insensitivity and inappropriateness of the response made me feel vulnerable, disgusted and angry in turn.

That was in 2013. Six years later, the story re-

peated itself with *Kabir Singh*. The majority of viewers rolled in laughter as a deplorable scene of abuse – a house help being ill-treated and threatened on screen – played out. There was evident approval when the heroine was slapped; I flinched. It's not to do with women alone. In *Badrinath Ki Dulhania* the assault on a man evoked big laughs. I couldn't understand what the joke was.

Are these scenes and responses a reflection of the inherent conservatism and toxicity of our society or are they indicative of cinema's role in the formation and acceptance of newer and more insidious themes being played by role models? The eternal debate rages on.

Meanwhile, for a film critic, watching a film 'first day, first show' all alone on a Friday morning often feels like being marooned on a choppy sea, holding

on to your own little raft of personal opinions in the face of tidal waves threatening to drown you. I choke on my coffee often, feeling the sheer solitariness of being at a tangent from the larger film audience universe. But more often than not, my digressive beliefs strengthen in the process and I feel the urgency to state them candidly and vigorously. It makes me dive deeper into the personal. The consensus around fires up the contrarian in me.

Simultaneously there is also the wonderment at the many possible ways of seeing. I often wonder whether I am watching the same film as the people around me. And it's not just to do with gender representation, it's also about humour and how it is perceived. A Mehmoond in Padosan may have brought the house down in north India, but was the character perceived as anything more

than a convenient caricature in the south? Was the Kantaben track in *Kal Ho Naa Ho* about homosexuality or was it a joke about homophobia? Be it the *balatkaar* (rape) gag in *3 Idiots* or the ageist one in *Sanju* about a 91-year-old woman, what may have been offensive and politically incorrect to a small section is also the kind of broad and adolescent humour that has more ready takers than you can even begin to imagine. One woman's abuse is often entertainment for many.

But on some rare occasions there is harmony. I don't think I would have been able to sit through the inanity of *Race 3* were it not for the manner in which the audience was laughing at its cheesiness. They sang the ditty written by 'Bhai', "Ik baar baby, selfish hoke, apne liye jeeyo na", in unison, deliberately out of tune. My heart couldn't help but sing along.

## FROM THE ARCHIVES

FIFTY YEARS AGO JULY 5, 1969

### Decade of Disappointment

(From an Editorial)

The disappointments of the first Development Decade that is ending this year are writ large in the report of the 18-member United Nations Committee on the goals and strategy of developmental planning for the Second Development Decade commencing next year. Apart from emphasising the responsibility of the advanced nations to set apart one per cent of their gross national product for economic assistance to the developing countries, the report suggests that "developed countries should attempt to supply at least 80 per cent of their financial assistance in the form of grants by 1975". It is indeed true that the volume of net aid has thinned considerably from year to year, what with debt charges (on repayment of principal and payment of interest) mounting and the quantum of total aid steadily going down. A larger element of grant in the assistance given will no doubt help. But more lasting help would be opportunities for increasing trade and this would call for the advanced nations lowering their trade barriers. The trade picture, however, remains unchanged despite the much-boosted Kennedy Round of tariff concessions.

A HUNDRED YEARS AGO JULY 5, 1919.

### Gold Theft at Mint.

Mr. Aston, Chief Presidency Magistrate, on Thursday [July 3, in Bombay] disposed of a case in which Harold Durham, head melter of His Majesty's Mint in Bombay, stood charged at the instance of the C.I.D. with disposing of gold on three occasions, valued at nearly Rs. 6,000 and on attempting on the 9th May to dispose of through an agent a gold bar valued at Rs. 3,594, when he knew it to be stolen. At the opening of the case the Crown Prosecutor, Mr. Campbell, stated that Deputy Commissioner of Police, Mr. Harkar on receipt of information that gold was being smuggled from the Mint through one Kashiram, a subordinate of the Mint, and sold to one Rahimtullah in the city, laid a trap and arrested Kashiram while he was disposing of a gold bar weighing 112 tolas at Rahimtullah's shop. Kashiram implicated Durham. Mr. Campbell further stated that they were unable to show from the Mint records that there was any shortage in the gold and the only suggestion that they could make was that it was just possible that very small amounts might have been taken at a time which in the course of time, when accumulated must have made up the full amount.













यह समीक्षा पारिस्थितिकी तंत्र के महत्व को दर्शाती है। जलवायु परिवर्तन के कारण बिगड़े संतुलन के मद्देनजर स्थायी विनिर्माण जरूरी

पुनीत डालमिया  
एमडी, डालमिया भारत समूह



राजकोषीय स्थिति में सुधार के लिए उद्योग को वित्त वर्ष 2020 में स्थायी सरकार, तेल में गिरावट और जीएसटी में नरमी की उम्मीद

निरंजन हीरानंदानी  
सीएमडी, हीरानंदानी समूह



यह समीक्षा निजी निवेश पर जोर देते हुए जीडीपी वृद्धि दर को रफ्तार देकर राजकोषीय स्थिरता लाने के लिए सरकारी प्रयासों को दर्शाती है

राजीव कुमार  
वाइस चेयरमैन, नीति आयोग



यह देखकर काफी अच्छा लगा कि भारत सरकार स्वास्थ्य सेवा क्षेत्र में स्टार्टअप को बढ़ावा दे रही है

मीना गणेश  
एमडी एवं सीईओ, पोर्टिया मेडिकल



देश को 5 लाख करोड़ डॉलर की अर्थव्यवस्था बनाने के लिए सार्वजनिक और निजी क्षेत्र को मिलकर काम करना होगा

वरुण भूटानी  
एमडी (वर्ककी), ट्राईहंड सोल्यूशंस

सकल घरेलू उत्पाद ■ इस वित्त वर्ष में जीडीपी की रफ्तार 7 फीसदी रहने का अनुमान जताया गया है

# भारत के अनुकूल विकास का मॉडल पेश

इंदिवजल धस्माना  
नई दिल्ली, 4 जुलाई

मुख्य आर्थिक सलाहकार कृष्णमूर्ति सुब्रमण्यन ने आर्थिक समीक्षा 2018-19 में आर्थिक विकास के पारंपरिक सिद्धांत पर आधारित मानकों को पीछे छोड़ते हुए निवेश, रोजगार सृजन, मांग, निर्यात और आर्थिक विकास में तालमेल पर आधारित मॉडल पेश किया।

इस मॉडल के आधार पर सुब्रमण्यन ने अर्थव्यवस्था को 8 फीसदी की रफ्तार से बढ़ाने की रणनीति के बारे में विस्तार से बताया ताकि 2024-25 तक जीडीपी का आकार 5 लाख करोड़ डॉलर पर पहुंचाने का लक्ष्य हासिल किया जा सके, जैसा कि प्रधानमंत्री नरेंद्र मोदी की परिकल्पना है।

हालांकि आर्थिक समीक्षा में मौजूदा वित्त वर्ष में आर्थिक विकास की रफ्तार महज 7 फीसदी रहने की बात कही गई है, जो 2018-19 के 6.8 फीसदी के मुकाबले सिर्फ 0.2 फीसदी ज्यादा है।

समीक्षा में कहा गया है कि अर्थव्यवस्था हमेशा असंतुलित रही है, या तो अच्छी रही है या फिर बुरी जब अर्थव्यवस्था सही चक्र में होती है तो निवेश, उत्पादकता की रफ्तार, रोजगार का सृजन, मांग और निर्यात एक दूसरे को सहारा देते हैं और अर्थव्यवस्था को फलने-फूलने के लिए उनमें जिंदादिली भर देते हैं। इसके उल्टे जब अर्थव्यवस्था बुरे चक्र में होती है तो निवेश, उत्पादकता, रोजगार सृजन आदि एक दूसरे को क्षति पहुंचाते हैं, लिहाजा अर्थव्यवस्था में जिंदादिली नहीं रह जाती।

समीक्षा में कहा गया है कि अर्थव्यवस्था को अच्छे दौर में बनाए रखने के लिए निवेश अहम होता है। राजेश चक्रवर्ती और एस मेका के साथ किए अपने अध्ययन के आधार पर सुब्रमण्यन ने कहा कि यह



■ आर्थिक समीक्षा में कहा गया है कि वित्त वर्ष 2025 तक 5 लाख करोड़ डॉलर की अर्थव्यवस्था बनने के लिए जीडीपी की रफ्तार सालाना रफ्तार 8 फीसदी होनी चाहिए। हालांकि इस वित्त वर्ष में जीडीपी की रफ्तार 7 फीसदी रहने का अनुमान जताया गया है

निवेश बुनियादी ढांचा क्षेत्र में निजी व सरकारी दोनों हो सकता है।

समीक्षा पेश करने के बाद प्रेस कॉन्फ्रेंस में सुब्रमण्यन ने कहा, हमारा इरादा दिशा बदलने का है और इसके लिए हम निवेश के जरिए अर्थव्यवस्था को अच्छे दौर में ले जाना चाहते हैं।

आर्थिक समीक्षा कहा गया है कि परंपरागत तरीकों से निजात पाकर अधिक निवेश की वकालत की गई है। पुराने ढर्रे में रोजगार सृजन, मांग, निर्यात, आर्थिक वृद्धि जैसे मसलों को अलग समस्या के तौर पर देखा जाता है। इसके उलट समीक्षा में कहा गया है कि ये

आर्थिक घटनाएं विशेष पूरकता का प्रदर्शन करते हैं। इसलिए प्रमुख संकेतकों को पहचानने और उसे मजबूत बनाने से अर्थव्यवस्था के अन्य क्षेत्र एकसाथ आगे बढ़ने में सक्षम होते हैं।

आर्थिक समीक्षा में कहा गया है कि वैश्विक आर्थिक संकट ने परंपरागत आर्थिक सिद्धांतों से जुड़ी समस्याएं सामने ला दी। इसने पंचवर्षीय योजनाओं की नाकामी के लिए इसी मॉडल को जिम्मेदार ठहराया।

इस बिंदु को साबित करने के लिए सुब्रमण्यन ने कहा कि बचत, निवेश और जीडीपी में बढ़ोतरी उच्च

निजी निवेश ■ निवेश तभी बहाल होगा जब निवेशकों को भविष्य की नीतियों में बदलाव नहीं होने का भरोसा होगा

# निजी निवेश में मजबूती के लिए अच्छी नीति, कम ब्याज दर जरूरी

देव चटर्जी  
मुंबई, 4 जुलाई

निजी क्षेत्र की कंपनियां नई क्षमता पर निवेश नहीं करना चाह रही हैं। ऐसे में आर्थिक समीक्षा में सुझाव दिया गया है कि ब्याज दरों में कमी लाने और बचत को प्रोत्साहित करने के अलावा सरकार को अच्छी नीतियां सुनिश्चित करनी चाहिए जो क्रियान्वयन के चरण में निरंकुशता कम करे ताकि भारतीय कंपनी जगत निवेश का फैसला ले सके।

समीक्षा में सुझाव दिया गया है, यह पहले से ही तय होना चाहिए कि किसी खास अवधि तक नीतियों में बदलाव नहीं होगा ताकि निवेशकों को भविष्य की नीतियों के प्रति भरोसा हो सके। रिपोर्ट में कहा गया है, खास तौर से निजी निवेश मांग में इजाफा करने, क्षमता सृजित करने के लिए अहम है और यह श्रम उत्पादकता में इजाफा करता है, नई तकनीक लागू करता है और रोजगार का सृजन करता है।

इसमें कहा गया है कि साल 2008 से करीब एक दशक तक निवेश स्थिर रहने के बाद भारत की निवेश गतिविधियां 2017-18 की पहली तिमाही से सुधरी हैं। वास्तव में जीडीपी के अनुपात के लिहाज से सकल फिक्स्ड कैपिटल फॉर्मेशन 2007-08 के 37 फीसदी के मुकाबले 10 साल में घटकर 27 फीसदी रह गया, लेकिन उसके बाद यह सुधरा है और अभी करीब 28

फीसदी पर है। आर्थिक नीति में अनिश्चितता बढ़ने से करीब पांच तिमाही से भारत में निवेश की रफ्तार को क्षति पहुंची है, ऐसे में समीक्षा में कहा गया है कि सरकार राजकोषीय नीति, कर नीति, मौद्रिक नीति, व्यापार नीति और बैंकिंग नीति को शामिल करने की खातिर आर्थिक नीति अनिश्चितता सूचकांक बना सकती है। ऐसे सूचकांकों पर नजर डालने से आर्थिक नीति की अनिश्चितता की निगरानी हो पाएगी और इस पर नियंत्रण भी हो सकेगा।

समीक्षा में कहा गया है कि वास्तविक ब्याज दर में कटौती से निवेश बढ़ सकता है और इस तरह से निवेश, बढ़त, निर्यात और नौकरियों में अच्छा दौर आ सकता है।

भारतीय कंपनी जगत के सीईओ ने कहा, समीक्षा की दिशा हालांकि सही है, लेकिन उपभोक्ताओं की तरफ से मांग का अभाव और उच्च ब्याज दर उन्हें नई क्षमताओं में निवेश से रोक रहा है। हाल के समय में देश में हुआ नया निवेश नकदी संपन्न कंपनियों ने दिवालिया कंपनियों के अधिग्रहण के जरिये हुआ है। टाटा स्टील ने भूषण स्टील के अधिग्रहण पर 35,400 करोड़ रुपये निवेश किया, वहीं आसैलरमितल एस्सार को 42,000 करोड़ रुपये में खरीदने पर सहमत हुई है। इसी तरह आदित्य बिड़ला समूह ने जेपी व बिनानी सीमेंट की परिसंपत्तियां खरीदकर अपनी उत्पादन क्षमता में इजाफा किया है। भारतीय कंपनियों की तरफ



से नया निवेश नहीं हुआ है क्योंकि उपभोक्ता की मांग पिछले साल सितंबर से ही घटनी शुरू हो गई है, जिससे दोपहिया व कारों की बिक्री को झटका लगा है।

डीएलएफ के सीईओ व एमडी राजीव तलवार ने कहा, नकदी बढ़ाने और देश में मांग बहाल करने के लिहाज से नीतिगत दरों में कटौती का फायदा बैंकों की तरफ से दिया जाना अहम होगा।

एक स्टील फर्म के सीईओ ने कहा कि भारत में उच्च ब्याज लागत निवेश का अहम रोड़ा है और वह आगामी महीनों में नए निवेश पर विचार करेंगे जो

ब्याज लागत पर आधारित होगा और इस पर भी कि विलय-अधिग्रहण का कोई मौका उपलब्ध है या नहीं। समीक्षा में कहा गया है कि कंपनियों के निवेश पर कई चीजों का असर पड़ रहा है। उधारी की लागत का निवेश पर नकारात्मक असर हो सकता है क्योंकि यह ज्यादा इनपुट लागत में प्रतिबिंबित होता है। रिपोर्ट में कहा गया है, उम्मीद के मुताबिक फिक्स्ड इन्वेस्टमेंट का सहसंबंध रीपो दर, भारांकित औसत उधारी दर और एसबीआई के एमसीएलआर के साथ नकारात्मक है। दूसरा महत्वपूर्ण कारक निवेश को प्रोत्साहित करने का है और समीक्षा में कहा गया है कि इसके लिए उत्पादक को अपने उत्पादों की सही कीमत मिलनी जरूरी है। कीमतों में बढ़ोतरी से ज्यादा निवेश हो सकता है क्योंकि कारोबार करने वाले इसे तब तक लाभकारी पाएंगे जब तक कि उपभोग की मांग मजबूत हो। निवेश पर असर डालने वाला तीसरा महत्वपूर्ण कारक क्षमता इस्तेमाल है। किसी एक तिमाही में क्षमता इस्तेमाल का सकारात्मक असर आगामी तिमाही में निवेश की बढ़त पर पड़ सकता है क्योंकि पिछली तिमाही में क्षमता के अतिरिक्त इस्तेमाल से मौजूदा तिमाही में नए निवेश की जरूरत कम हो सकती है। अभी भारतीय कंपनियां औसतन 75 फीसदी क्षमता का इस्तेमाल कर रही हैं और यह भारतीय कंपनी जगत को अतिरिक्त क्षमता पर निवेश के मामले में मुश्किल बना रहा है।

एनबीएफसी ■ म्युचुअल फंडों द्वारा निकासी संकट की शुरुआती वजह

# एनबीएफसी संकट से वृद्धि की रफ्तार पर जोरिवम

जश कृपलानी  
मुंबई, 4 जुलाई

आर्थिक समीक्षा 2018-19 में गैर-बैंकिंग वित्तीय कंपनियों (एनबीएफसी) में संकट से पैदा हुए जोखिम का जिक्र किया गया है, क्योंकि इससे वाहन क्षेत्र में खपत वृद्धि प्रभावित हुई जिससे निर्माण क्षेत्र में वृद्धि पर नकारात्मक असर पड़ा।

आर्थिक समीक्षा में चेतावनी दी गई है कि यदि एनबीएफसी क्षेत्र में संकट का असर इस साल भी बना रहा तो इससे एनबीएफसी से ऋण उठाव में कमी आ सकती है जिससे खपत वृद्धि की रफ्तार प्रभावित हो सकती है।

इसमें सितंबर में

आईएलएंडएफएस भुगतान चूक के बाद एनबीएफसी संकट शुरू होने का विस्तार से जिक्र किया गया है। आईएलएंडएफएस संकट के तुरंत बाद, एनबीएफसी को गंभीर नकदी किल्लत का सामना करना पड़ा, क्योंकि म्युचुअल फंडों ने एनबीएफसी के ऋणों का पुनः भुगतान रोक दिया। समीक्षा में कहा गया है कि एनबीएफसी के लिए फंडों के निवेश में अप्रैल में 12 प्रतिशत की कमी आई।

आईएलएंडएफएस संकट के बाद नकदी मुहैया कराने की बैंकों की कोशिश पर्याप्त नहीं थी, क्योंकि समीक्षा में कहा गया है, 'बैंकिंग क्षेत्र से संसाधनों में नवंबर 2018 से ही कमी आनी शुरू हो गई।'

इसमें कहा गया है,



‘एनबीएफसी के लिए संसाधनों के प्रवाह में कमी से हाल की तिमाहियों में इस क्षेत्र की उधारी क्षमता प्रभावित हुई है।’

मार्च 2018 में एनबीएफसी की ऋण वृद्धि दर सालाना आधार पर 30 प्रतिशत रही। मार्च

2019 में यह सालाना आधार पर 9 प्रतिशत थी।

समीक्षा में कहा गया है कि एनबीएफसी के कुछ प्रमुख प्रदर्शन संकेतक 2018-2019 के दौरान किस तरह से गड़बड़ा गए थे। एनबीएफसी सेक्टर के लिए

■ एनबीएफसी क्षेत्र में संकट का असर इस साल भी बना रहा तो इससे एनबीएफसी से ऋण उठाव में कमी आ सकती है

■ मार्च 2018 में एनबीएफसी की ऋण वृद्धि दर सालाना आधार पर 30 प्रतिशत रही थी। मार्च 2019 में यह सालाना आधार पर 9 प्रतिशत रही

परिसंपत्तियों पर प्रतिफल दिसंबर 2018 में घटकर 1.4 प्रतिशत रह गया जो मार्च 2018 में 1.6 प्रतिशत था। जोखिम परिसंपत्ति अनुपात या पूंजी पर्याप्तता अनुपात समान अवधि में 22.8 से घटकर 22.2 रह गया। एनबीएफसी की शुद्ध गैर-

निष्पादित आस्तियां 3.2 प्रतिशत से बढ़कर 3.6 प्रतिशत पर पहुंच गई। क्षेत्र के लिए पूंजी पर प्रतिफल 7 प्रतिशत से घटकर 6.1 प्रतिशत रह गया।

अगस्त 2018 में, एनबीएफसी के अल्पावधि (90 दिन से कम) वाणिज्यिक पत्र बाजार में म्युचुअल फंडों द्वारा पूंजी निवेश 1.3 लाख करोड़ रुपये पर दर्ज किया गया। बाजार नियामक सेबी से प्राप्त आंकड़ों के अनुसार वित्त वर्ष के अंत (मार्च 2019) तक यह निवेश घटकर 95,708 करोड़ रुपये रह गया। इससे अगस्त संकट (आईएलएंडएफएस संकट से पहले) से एमएफ निवेश में 27 प्रतिशत की कमी का पता चलता है।

अन्य देशों के मुकाबले

भारत में ब्याज दरें ऊंची

अनूप रॉय

मुंबई, 4 जुलाई

वर्ष 2018-19 के लिए आर्थिक समीक्षा में वास्तविक ब्याज दर में कमी की जरूरत पर जोर दिया गया है, जिससे कि निजी निवेश को बढ़ावा मिल सके। इसका प्रस्ताव भारतीय रिजर्व बैंक (आरबीआई) की मौद्रिक नीति समिति (एमपीसी) में एक सदस्य द्वारा भी दिया गया था।

वास्तविक ब्याज दर उधारी दर (आर्थिक समीक्षा में एसबीआई की आधार दर को लिया गया है) और मौजूदा मुद्रास्फीति दर के बीच अंतर है। इसी तरह से वास्तविक नीतिगत दर रीपो दर - (माइनस) मुद्रास्फीति है।

3.4 प्रतिशत नए मुद्रास्फीति प्रिंट को ध्यान में रखते हुए, जहां रीपो दर 5.75 प्रतिशत है, और एसबीआई आधार दर 9.05 प्रतिशत, वास्तविक नीतिगत दर 2.35 प्रतिशत पर बैठती है, जबकि वास्तविक ब्याज दर लगभग 5.65 प्रतिशत है।

वास्तविक ब्याज दर और वास्तविक नीतिगत दर, दोनों ही, भारत के प्रतिस्पर्धियों से ऊपर हैं। आर्थिक समीक्षा में इनमें कमी लाने पर जोर दिया गया है।

इसे लेकर विभिन्न विचार सामने आए हैं कि भारत के लिए एक उपयुक्त वास्तविक नीतिगत दर क्या होनी चाहिए। इसके लिए 1.5-2 प्रतिशत पर सहमति बनती दिख रही है। इसका मतलब है कि मौजूदा मुद्रास्फीति दर पर रीपो दर में अन्य 35 आधार अंक तक की कमी आने की संभावना है।

आर्थिक समीक्षा में कहा गया है कि ब्याज की वास्तविक दर भारत में हाल के वर्षों में तेजी से बढ़ी है।

हालांकि दिवालिया संहिता पर अमल और बैंकों में पूंजी डाले जाने से दोहरी बैलेंस शीट की समस्या दूर हो रही है। समीक्षा में कहा गया है, 'अब विस्तार के लिए आधार तैयार किया गया है और यह समय पूंजी की लागत में बड़ी कमी लाने का है।' उन्होंने कहा कि पूंजी की ऊंची लागत से देश में निवेश संभावनाएं प्रभावित हुई हैं।

मुख्य आर्थिक सलाहकार कृष्णमूर्ति सुब्रमण्यन के अनुसार, बचत मुख्य रूप से जनसांख्यिकी और आय वृद्धि पर आधारित है। इसलिए, घरेलू ब्याज दरों को ऊंची बनाए रखने से बचत की प्रवृत्ति को प्रोत्साहित नहीं किया जा सकता। इसके बजाय, उपयुक्त वास्तविक दर पर्याप्त होगी।

समीक्षा में कहा गया है, 'चूंकि निवेश काफी हद तक पूंजी की कम लागत पर निर्भर करता है, इसलिए वास्तविक ब्याज दरें घटने से बचत में कमी आनी जरूरी नहीं है। साथ ही, वास्तविक ब्याज दरों में कमी से निवेश बढ़ सकता है और इससे निवेश, वृद्धि, निर्यात और रोजगार के चक्रों में गति आ सकती है।'

आरबीआई के नए गवर्नर शक्तिकांत दास ने फरवरी से ब्याज दरों में तीन बार कटौती की है।

एमपीसी में उनके सहकर्मी रवींद्र ढोलकिया भी दर कटौती के मजबूत प्रस्तावक हैं। उन्होंने 25 आधार अंक की कटौती का समर्थन किया था।

ढोलकिया ने एमपीसी की बैठक में कहा, 'मेरी नजर में, हमें नीतिगत दर घटाकर अपनी वास्तविक ब्याज दरों में लगातार कमी करनी चाहिए।'

ढोलकिया ने कहा, 'हमारी वास्तविक नीतिगत दर 2 प्रतिशत से अधिक है और वास्तविक ब्याज दर काफी ऊंची है, जिससे हमारा उत्पादन वैश्विक रूप से कम प्रतिस्पर्धी बन गया है। हमें जल्द ही इस ब्याज दर को घटाकर 1.5 प्रतिशत के वास्तविक स्तर पर लाना होगा।'





**हम इस बात से सहमत हैं कि वृद्धि की रफ्तार 8 फीसदी पर बरकरार रखने के लिए निवेश को प्रमुख वाहक बनाने की जरूरत होगी**

चंद्रजित बनर्जी  
महाबिदेशक, सीआईआई



**लाखों युवाओं के लिए रोजगार के अवसर सृजित करने के लिए इस समय दमदार एवं लचीले श्रम सुधार की दरकार**

राजीव तलवार  
अध्यक्ष, पीएचडीसीसीआई एवं सीईओ, डीएलएफ



**यह समीक्षा अर्थव्यवस्था की सही तस्वीर बयां करती है। बजट में कृषि, एफडीआई और प्राकृतिक संसाधनों में बड़े सुधारों की उम्मीद**

अनिल अग्रवाल  
कार्यकारी वेंचरमैन, वेदांत रिसोर्सेज



**यह हमें कुछ चुनौतियों पर काबू पाने की उम्मीद बंधाती है। नकदी संकट व उसके प्रभाव से निपटने के लिए साहसिक कदम जरूरी**

बी के गोयनका  
अध्यक्ष, एसोचैम एवं चेयरमैन, वेलस्पन



**यह समीक्षा सहकारी संघवाद के परिप्रेक्ष्य में विस्तार की गुंजाइश को दर्शाती है। राज्यों को बुनियादी ढांचे पर निवेश बढ़ाने की जरूरत**

डी के श्रीवास्तव  
मुख्य नीति सलाहकार, ईवाई इंडिया

**एमएसएमई ■ पुरानी छोटी कंपनियों के बजाय नई इकाइयों को प्रोत्साहन देने की सिफारिश**

# बौनी कंपनियों पर लगाम, नई को रफ्तार

**सोमेश झा**

नई दिल्ली, 4 जुलाई

आर्थिक समीक्षा में छोटी कंपनियों को दिए जाने वाले नीतिगत प्रोत्साहन को खत्म करने का प्रावधान करने और नई इकाइयों को प्रोत्साहन देने की सिफारिश की गई है। आर्थिक समीक्षा में ऐसा वातावरण बनाने की बात कही गई है जहां नई कंपनियों को बड़ा आकार देने के लिए प्रोत्साहित किया जा सके। मुख्य आर्थिक सलाहकार कृष्णमूर्ति सुब्रमण्यन ने नई कंपनियों के लिए ‘नवजात’ और छोटी कंपनियों के लिए ‘बौनी’ शब्द का इस्तेमाल किया है। उन्होंने कहा कि बौनी कंपनियां अपने छोटे आकार से कभी आगे नहीं बढ़ती हैं और वे केवल सरकारी प्रोत्साहन हासिल करने के लिए बकरार रहती हैं। समीक्षा में कहा गया है, ‘भारत में बौनी कंपनियों को प्रोत्साहन देने वाली नीतियों से रोजगार सृजन को नुकसान होता है क्योंकि ये ऐसी कंपनियां हैं जो कभी नहीं बढ़तीं। इसके बजाय नवजात कंपनियों को प्रोत्साहित करना चाहिए क्योंकि उनमें बढ़ने की संभावना मौजूद है और वे तेजी से बड़ी हो सकती हैं।’ समीक्षा में उन फैक्टरियों को छोटी कंपनियों की श्रेणी में रखा गया है जहां श्रमिकों की संख्या 100 के दायरे में है। बौनी कंपनियों को उन छोटी कंपनियों के रूप में परिभाषित किया गया है जो 10 साल से अधिक समय से परिचालन में हैं जबकि नवजात कंपनियां कार्यकल के लिहाज से छोटे आकार की नई कंपनियां हैं।



उद्योगों की वार्षिक समीक्षा (एसएसआई) के आंकड़ों का विश्लेषण करते हुए आर्थिक समीक्षा में कहा गया है कि विनिर्माण क्षेत्र की कुल संगठित कंपनियों में आधी से अधिक बौनी कंपनियां हैं। रोजगार सृजन में इनका योगदान महज 14 फीसदी और उत्पादकता में योगदान महज 8 फीसदी है।

समीक्षा में कहा गया है, ‘इसके विपरीत बड़ी कंपनियों (100 से अधिक कर्मचारियों वाली) का योगदान इस प्रकार के रोजगार में करीब तीन-चौथाई और उत्पादकता में करीब 90 फीसदी है जबकि उनकी संख्या महज 15 फीसदी है।’ इसलिए यह एक गलत धारणा बन गई है कि रोजगार सृजन में छोटी कंपनियों का बड़ा योगदान है। जबकि छोटी कंपनियां रोजगार को सबसे अधिक नुकसान पहुंचाने के लिए भी जिम्मेदार हैं क्योंकि वे अपने सृजित रोजगार को बरकरार नहीं रख पाती हैं।

# न्यूनतम वेतन प्रणाली समग्र विकास के लिए जरूरी

**सोमेश झा**

नई दिल्ली, 4 जुलाई

वित्त वर्ष 2018-19 की आर्थिक समीक्षा में न्यूनतम वेतन ढांचे पर खासा जोर दिया गया है। गुरुवार को संसद में पेश आर्थिक समीक्षा के अनुसार भारत के समग्र विकास के लिए एक प्रभावी न्यूनतम वेतन प्रणाली तत्काल लागू जाने की जरूरत है। समीक्षा में कहा गया है, ‘श्रमिकों की हितों की सुरक्षा और गरीबी उन्मूलन के लिए न्यूनतम वेतन प्रणाली का पुछा ढांचा एक प्रभावी हथियार साबित हो सकती है।’ अंतरराष्ट्रीय स्तर पर होने वाली गतिविधियों से यह साफ हो गया है कि अपेक्षाकृत सरल प्रणाली अधिक प्रभावी होती है, जबकि इसकी तुलना में एक जटिल तंत्र सबसे कम बदलाव ला पाता है।’

समीक्षा में वेतन विधेयक पर संहिता की हिमायत की गई है, जिस पर केंद्रीय मंत्रिमंडल ने बुधवार को मुहर लगा दी थी। समीक्षा में मौजूदा न्यूनतम वेतन

प्रणाली को जटिल करार दिया गया है, जिसमें विभिन्न राज्यों में रोजगार की 1,975 श्रेणियां हैं।

मौजूदा राष्ट्रीय फ्लोर लेवल न्यूनतम वेतन के मुकाबले समीक्षा में ‘नैशनल फ्लोर मिनिमम वेज’ पर जोर दिया गया है, जो पांच भौगोलिक क्षेत्रों में अलग-अलग हो सकता है।

समीक्षा में कहा गया है, ‘राज्य न्यूनम वेतन तय कर सकते हैं, लेकिन यह एक तय निश्चित वेतन से कम नहीं होगा। इससे पूरे देश में न्यूनतम वेतन के निर्धारण में समानता आएगी। इससे निवेश के लिए श्रम लागत के लिहाज से देश के सभी राज्य समान रूप से आकर्षक हो जाएंगे और और लाचारी के कारण होने वाले पलायन पर भी नियंत्रण पाया जा सकेगा।’

समीक्षा के अनुसार भौगोलिक क्षेत्रों के आधार पर चार श्रेणियाँ- अकुशल, अर्द्ध कुशल, कुशल और अति कुशल- के लिए न्यूनतम वेतन का निर्धारण किया जाना चाहिए। समीक्षा में कहा गया है कि मौजूदा प्रणाली सरल बनाने के लिए वेतन सीमा से इतर सभी श्रमिकों



**समीक्षा में मौजूदा न्यूनतम वेतन प्रणाली को जटिल करार दिया गया है**

को शामिल किया जाना चाहिए।

आर्थिक समीक्षा में कहा गया है कि तकनीक की मदद से एक सरल और लागू हो पाने वाली न्यूनतम वेतन प्रणाली तैयार की जानी चाहिए। समीक्षा के अनुसार

न्यूनतम वेतन से पारिश्रमिक बढ़ता है और रोजगार पर खास असर डाले बिना यह वेतन असमानता दूर करता है। सर्वेक्षण में निकारागुआ, नीदरलैंड्स, उरुग्वे और कोस्टा रिका की तर्ज पर न्यूनतम वेतन में नियमित बदलाव करने का सुझाव दिया गया है। इन देशों में हरक छह महीने में वेतन में आवश्यक बदलाव किए जाते हैं। इसमें राष्ट्रीय स्तर पर एक ऐसा मंच गठित करने का सुझाव दिया गया है, जहां सभी राज्यों की पहुंच होगी और वहां न्यूनतम वेतन के संबंध में अधिसूचनाएं अद्यतन होती रहेंगी। इससे श्रमिकों के पास पर्याप्त जानकारी रहेगी और वे अपने कौशल के हिसाब से वेतन पा सकेंगे।

वेतन विधेयक पर प्रस्तावित संहिता में वेतन से जुड़े चार कानून-न्यूनतम वेतन अधिनियम, 1948, वेतन भुगतान अधिनियम, 1936, बोनस भुगतान अधिनियम,1965 और समान वेतन अधिनियम, 1976- शामिल होंगे। इसमें एक सांविधिक राष्ट्रीय न्यूनतम वेतन का भी प्रस्ताव है, जिसे राज्य सरकारें रोजगार की सभी चार श्रेणियों के लिए लागू करेंगी।

# आधार से जुड़ी भुगतान व्यवस्था से सुधरी मनरेगा

**संजीव मुखर्जी**

नई दिल्ली, 4 जुलाई

आर्थिक समीक्षा 2018-19 में लखनऊ के नवाब आसफुद्दौला के उस दोषपूर्ण योजना अकाल पीड़ितों के लिए काम के बदले भोजन का उल्लेख करते हुए पिछली सरकारों में महात्मा गांधी राष्ट्रीय ग्रामीण रोजगार गारंटी अधिनियम (मनरेगा) के क्रियान्वयन की आलोचना की गई है। इसमें बताया गया है कि 2015 में खोले गए जन धन खातों में तब से आधार से जुड़े भुगतान करने की व्यवस्था के बाद से यह आधारभूत रूप से कितना बदल गया है।

लखनऊ में 1784 में आसफुद्दौला के काम के बदले भोजन कार्यक्रम के तहत दिन में मजदूरों को इमामबाड़ा के निर्माण के काम में लगाया जाता था और रात में दूसरे मजदूर समूह से उसी निर्माण को ध्वस्त करने का काम लिया जाता था। मुख्य आर्थिक सलाहकार (सीईए) कृष्णमूर्ति सुब्रमण्यन ने अपने बहाने आर्थिक समीक्षा में एक पूरा अध्याय मनरेगा में डीबीटी लागू करने के बाद समय पर मजदूरी भुगतान में आए सुधार, दाखिल किए जाने वाले मस्टर रॉल की संख्या में वृद्धि, बड़ी हुई मांग और योजना के तहत काम की आपूर्ति के बारे में बताने के लिए दिया है। इसमें यह बताया गया है कि यह महिला, दिव्यांग, अनुसूचित जाति और अनुसूचित जनजाति जैसे वंचित वर्गों की आर्थिक तंगी को दूर करने में भी सहायक हुआ है।

समीक्षा में कहा गया है कि इसकी सबसे बड़ी उपलब्धि यह है कि इसने योजना में होने वाले रिसाब को तो रोका ही है फर्जी मजदूर भी इससे बाहर हो गए हैं। इसमें कहा गया है कि जो ब्लॉक सूखे से प्रभावित नहीं है वहां आधार से जुड़े भुगतान का काम मांगने वाले लोगों की संख्या पर कोई असर नहीं हुआ है लेकिन सूखा प्रभावित ब्लॉकों में इस सुविधा के बाद काम मांगने वालों की संख्या में 20.7 फीसदी का उछाल आया है।

2015 में सरकार ने देश के बैंकिंग व्यवस्था के अधिक



**सरकार के इस दावे का सामाजिक कार्यकर्ताओं ने किया खंडन, कहा इसके कारण बड़ी संख्या में योग्य मजदूर हुए योजना से बाहर**

प्रसार वाले 300 जिलों में मनरेगा में आधार से जुड़े भुगतान सुविधा की शुरुआत की थी। जबकि बाकी बचे जिलों को 2016 में इसके दायरे में लाया गया। समीक्षा में कहा गया है कि मनरेगा के तहत सक्रिय 11.61 करोड़ मजदूरों में से अब तक 10.16 करोड़ मजदूरों (87.51 फीसदी) का आधार लिया जा चुका है और उसे इससे जोड़ा जा चुका है।

पिलहाल मनरेगा के तहत होने वाले सभी भुगतानों में से करीब 55.05 फीसदी भुगतान आधार आधारित भुगतान प्रणाली से किया जाता है।

मनरेगा मॉडल से प्रभावित होकर सुब्रमण्यन ने अपनी सिफारिशों में पीडीएस, छात्रवृत्ति कार्यक्रम, एलपीजी सब्सिडी आदि सरकारी योजनाओं में आधार से जुड़ी भुगतान प्रणाली और अन्य उन्नत तकनीक को शामिल करने की बात कही

है। समीक्षा में कहा गया है, ‘छात्रवृत्ति या पेंशन जैसी नकद लाभ के अंतरण वाले कार्यक्रमों और किरोसिन, एलपीजी, जन वितरण प्रणाली (पीडीएस), उर्वरकों आदि पर दी जाने वाली मूल्य सब्सिडियों तथा दूसरी इनपुट सब्सिडियों में डीबीटी लागू कर योग्य व्यक्ति को इससे बाहर रखे जाने और गैर-गरीब को इसमें शामिल किए जाने जैसी खामियों को दुरुस्त करने की जरूरत है। इससे सार्वजनिक खर्च ज्यादा प्रभावी होगा और प्रभावपूर्ण तरीके से लक्षित होगा।’

समीक्षा में कहा गया है कि आधार से जुड़े भुगतान सेवा के पहले के मुकाबले अब बैंकों खातों में होने वाला भुगतान लगभग दोगुना हो गया है। पहले जहां 1.82 करोड़ रुपये प्रति ब्लॉक प्रतिवर्ष जाता था वहीं अब यह 3.98 करोड़ रुपये प्रति ब्लॉक प्रति वर्ष हो गया है। यह दिखाता है कि आधार से जुड़े भुगतान सेवा शुरू करने बाद डीबीटी के जरिये अधिक रकम का प्रवाह हुआ है।

हालांकि, सामाजिक कार्यकर्ताओं और मनरेगा पर काम करने वाले लोगों का कहना है कि सरकार के दावे के उलट मनरेगा में आधार से जुड़ी भुगतान प्रणाली और डीबीटी के आने से योजना के तहत पात्र मजदूर बाहर हुए हैं और समय पर भुगतान की सुविधा बढ़ने की बजाय इससे मजदूरों को ज्यादा नुकसान पहुंचा है।

मजदूर किसान शक्ति संगठन के निखिल डे ने बिजनेस स्टैंडर्ड से कहा, ‘मनरेगा में आधार से जुड़े भुगतान और डीबीटी की शुरुआत से पहले इस कार्यक्रम के तहत 10 करोड़ से अधिक बैंक खाते खोले गए थे जिसमें मजदूरी जमा कराई जाती थी। अब आधार से जुड़े भुगतान के आने से बस इतना हुआ है कि पात्र मजदूर इससे बाहर हो गए हैं और कई पात्र लोगों को लाभ देने से मना कर दिया गया है।’

उन्होंने कहा कि समीक्षा में दावा किया गया है कि आधार से जुड़े भुगतान सेवा को शुरू करने के बाद मनरेगा के तहत दाखिल होने वाले मस्टर रॉल की संख्या में इजाफा हुआ है जो कि गलत है। इसकी वजह है कि काम की मांग हमेशा से ही गरीब तबकों वाले जिलों से अधिक रही है।

# बीते साल नहीं हुई ट्रेनों की टक्कर मगर बड़ी आग लगने की घटनाएं

**भाषा**

नई दिल्ली, 4 जुलाई

वित्त वर्ष 2018-19 के दौरान ट्रेनों की टक्कर का कोई मामला सामने नहीं आया लेकिन रेलगाड़ियों में आग लगने की घटनाओं में इजाफा हुआ। संसद में बृहस्पतिवार को पेश 2018-19 की आर्थिक समीक्षा में कहा गया है कि बीते वित्त वर्ष में ट्रेनों के पटरी से उतरने की घटनाएं घटकर 46 पर आ आईं। 2016-17 में ट्रेनों के पटरी से उतरने की 78 घटनाएं हुई थीं।

हालांकि, इस दौरान ट्रेनों में आग लगने की घटनाएं बढ़कर छह पर पहुंच गईं। 2016-17 में ट्रेनों में आग की एक घटना ही हुई थी। समीक्षा के मुताबिक 2018-19 के दौरान रेलवे ने 115.95 करोड़ टन की माल ढुलाई (कॉणर रेलवे द्वारा किए गए लदान को छोड़कर) से राजस्व हासिल किया, जबकि 2016-17 में यह आंकड़ा 110.61 करोड़ टन था। इस तरह रेलवे की माल ढुलाई में 4.83 प्रतिशत की वृद्धि दर्ज की गई।

समीक्षा कहती है कि 2018-19 में रेलवे ने 122.13 करोड़ टन का राजस्व अर्जक माल भाड़ा लदान किया, जो इससे पिछले साल की तुलना में 6.18 करोड़ टन की वृद्धि



दर्शाता है। अर्थात इसमें 5.33 प्रतिशत की वृद्धि हुई। समीक्षा के अनुसार 2016-17 की तुलना में वर्ष 2017-18 के दौरान भारतीय रेलवे से यात्रा करने वाले यात्रियों की संख्या में 2.09 प्रतिशत की वृद्धि हुई थी। इसी प्रकार 2017-18 की तुलना में वर्ष 2018-19 में भारतीय रेलवे में यात्रा करने वालों की संख्या में 0.64 प्रतिशत की वृद्धि दर्ज की गई।

समीक्षा में कहा गया है कि रेलवे ने अपने ब्रांडेज नेटवर्क का 100 प्रतिशत विद्युतीकरण करने के लिए एक प्रमुख कार्यक्रम की शुरुआत की है। इससे आयोजित डीजल तेल पर देश की निर्भरता कम होगी। 1 अप्रैल, 2019 की स्थिति के अनुसार भारतीय रेलवे के पास विद्युत चालित 35,488 किलोमीटर मार्ग का नेटवर्क है, जो कुल नेटवर्क का 51.85

प्रतिशत है और 64.50 प्रतिशत माल ढुलाई करता है। यह 53.70 प्रतिशत कोचिंग ट्रैफिक को वहन करता है। विद्युतीकरण की गति में वृद्धि हुई है और वर्ष 2021 तक इसे बढ़ाकर 38,000 किलोमीटर करने का लक्ष्य रखा गया है।

समीक्षा में कहा गया है कि स्वच्छ रेलवे, स्वच्छ भारत, मिशन स्वच्छता पर केंद्रित है। स्वच्छ रेलवे पोर्टल के अनुसार क श्रेणी के स्टेशनों में स्वच्छता के मामले में ब्यास रेलवे स्टेशन को पहला स्थान हासिल हुआ है और क-1 की सूची वाले रेल स्टेशनों में विशाखापत्तनम शीर्ष पर रहा।

ऊर्जा और जल संरक्षण के क्षेत्र में भी रेलवे ने वास्तविक प्रयास किए हैं और ग्रीन रेटिंग हासिल करने के लिए रेलवे स्टेशनों में होड़ लगी हुई है।





**आर्थिक समीक्षा 2019 में सामाजिक क्षेत्र की प्रगति, तकनीकी एवं ऊर्जा सुरक्षा को अपनाने के फायदे दिख रहे हैं**

**नरेंद्र मोदी**  
प्रधानमंत्री



**घरेलू स्तर पर अर्थव्यवस्था को रफ्तार देने न्यायिक सुधार एवं निवेश सुधार करने से बाजार को अच्छी दिशा मिलनी चाहिए**

**शुभदीप रक्षित**  
वरिष्ठ अर्थशास्त्री, कोटक इंस्टीट्यूशनल इक्विटीज



**समीक्षा में इलेक्ट्रिक वाहनों को जगह मिलने से पता चलता है कि यह उद्योग देश की अर्थव्यवस्था एवं पर्यावरण के लिए कितना जरूरी है**

**सोहिंदर गिल**  
महानिदेशक, एसएमईवी



**दो भागों में इस समीक्षा को पढ़ने में तीन घंटे लगाए। बस इतना ही कहना है कि आज दोपहर दिल्ली के ऊपर बादल गहराए हुए हैं**

**डरेक ओ ब्रायन**  
राज्यसभा सदस्य, तृणमूल कांग्रेस



**विभिन्न क्षेत्रों के लिए अलग-अलग वृद्धि अनुमान जाहिर नहीं किए गए हैं। सरकार इसके जरिये नकारात्मक तस्वीर पेश कर रही है**

**पी चिदंबरम**  
पूर्व वित्त मंत्री

■ आर्थिक समीक्षा में कहा गया है कि जनहित के लिए डेटा का उचित इस्तेमाल होना चाहिए

# नागरिकों के डेटा बेचने के लिए बने ढांचा

**नेहा अलावधी और करण चौधरी**  
नई दिल्ली/बंगलूरु, 4 जुलाई

आर्थिक समीक्षा में जनहित के तौर पर डेटा (जानकारियां) के इस्तेमाल और इनके लिए ढांचा तैयार करने का सुझाव दिया गया है। सुझाव में विभिन्न मंत्रालयों में डेटा केंद्रीकरण की बात कही गई है। हालांकि समीक्षा में नागरिकों से जुड़ी जानकारीयां बेचने के सुझाव पर कई तरह की आशंकाएं जताई गई हैं। ऐसी आशंकाओं की बुनियाद यह है कि भारत में डेटा सुरक्षा या गोपनीयता से जुड़ा कोई असरदार कानून अस्तित्व में नहीं है।

समीक्षा में डिजिटल स्टोरेज और डेटा प्रोसेसिंग पर जोर दिया गया है। इसमें कहा गया है कि तकनीक ने सूचना संग्रह, इनका भंडारण, इनकी प्रोसेसिंग और प्रसार से जुड़े कार्यों पर लागत कम करने और प्रक्रिया आसान बनाने में अहम भूमिका निभाई है। समीक्षा में कहा गया है, 'लोगों का डेटा लोगों द्वारा तैयार होता है और इनका इस्तेमाल भी लोगों के लिए ही होना चाहिए। जनहित के लिए डेटा का श्रेष्ठतम इस्तेमाल होना चाहिए।' इस तरह, समीक्षा में सरकार को डेटा गोपनीयता के दायरे में रहकर जनहित के लिए डेटा भंडार तैयार करने का सुझाव दिया गया है।

आर्थिक समीक्षा में 'डेटा: ऑफ द पीपुल, बाय द पीपुल, फॉर द पीपुल' के नाम से एक विस्तृत खंड में एक डैशबोर्ड बनाने का सुझाव दिया गया है। इसका मकसद सरकार के साथ नागरिकों द्वारा साझा की जाने वाली जानकारीयों के आधार पर सरकारी सेवाओं को लोगों



तक पहुंचाने में सुधार करना है।

समीक्षा के अनुसार एक इसके लिए बुनियादी ढांचा तैयार होने के बाद लोगों तक कल्याणकारी योजनाओं और सब्सिडी की पहुंच के मोर्चे पर त्रुटिया कम हो जाएंगी। समीक्षा में कहा गया है, 'निजी क्षेत्रों को व्यावसायिक इस्तेमाल के लिए कुछ खास डेटाबेस तक पहुंच की अनुमति दी जा सकती है। लोकहित के तौर पर डेटा की अवधारणा के मद्देनजर लाभ के लिए इनके व्यावसायिक इस्तेमाल पर रोक लगाने की कोई वजह नहीं है। हालांकि सामाजिक लाभ सरकार के खर्च से कहीं अधिक रहेंगे, सरकार पर वित्तीय दबाव कम करने के लिए कम से कम डेटा के एक हिस्से की बिक्री की जानी चाहिए। निजी क्षेत्र को डेटा से काफी लाभ पहुंच सकता है, इसके मद्देनजर इनके(डेटा) इस्तेमाल के लिए शुल्क लेना वाजिब की माना जाएगा। समीक्षा में यह भी कहा गया है कि डेटासेट

एनालिटिक्स एजेंसियों को बेचे जा सकते हैं। ये एजेंसियां डे आ प्रोसेस कर सूक्ष्म तथ्यों की जानकारीयां हासिल करती हैं और बाद में इन्हें कंपनियों को बेच देती हैं। कंपनियां इन सूचनाओं का इस्तेमाल कर बाजार में मांग आदि का अंदाजा लगाती हैं और नए उत्पाद उतारने के साथ उन बाजारों का पता लगाती हैं, जहां कारोबार की भरपूर संभावनाएं हैं। फिलहाल देश में ऐसा अंतिम प्रावधान नहीं है, जिसमें सरकार या अन्य सूचनाओं की बिक्री का जाने का जिम्मा है। प्रस्तावित पर्सनल डेटा प्रोटेक्शन बिल ने अपने अंतिम मसौदे में इस मुद्दे पर व्यापक रूप से कुछ नहीं कहा है।

## कानूनी एवं सामाजिक प्रभाव

नागरिकों से जुड़ी सूचनाएं सरकार द्वारा बेचने के सुझाव पर कानूनी जानकारों

**मौजूदा समय में भारत में डेटा सुरक्षा या गोपनीयता से जुड़ा कोई असरदार कानून नहीं है**

ने बहुत उत्साह नहीं दिखाया है। इंटरनेट फ्रीडम फाउंडेशन में कार्यकारी निदेशक अपार गुप्ता कहते हैं, 'आम तौर पर सरकार नागरिकों की सूचनाएं नहीं बेचती हैं, लेकिन इस तरह के सुझावों पर पहले ही अमल हो चुका है। उदाहरण के लिए सड़क एवं राजमार्ग मंत्रालय ने वाहनों के पंजीकरण से जुड़ी सूचनाएं बेचने की नीति की घोषणा की। इससे चिंताएं और बढ़ जाती हैं क्योंकि भारत में कोई पुख्ता डेटा सुरक्षा कानून नहीं है।' टेक्लेगिस एडवोकेट्स एंड सॉलिसिटर्स के सलमान वारिस के अनुसार अगर दो प्रस्तावित विधेयक पारित हो जाते हैं तो यह आर्थिक समीक्षा में प्रस्तावित सुझाव के बिल्कुल विपरीत होंगे।

# आर्थिक विकास के लिए निर्यात में बढ़ोतरी पर रहेगा ध्यान

**शुभायन चक्रवर्ती**  
नई दिल्ली, 4 जुलाई

आज पेश आर्थिक समीक्षा में कहा गया है कि निवेश से संचालित विकास के मॉडल में निवेश में भारी भरकम बढ़ोतरी की रणनीति निश्चित तौर पर होनी चाहिए। इसमें कहा गया है कि आर्थिक विकास की रफ्तार को बहाल करने की जवाबदेही निर्यात पर डाली गई है क्योंकि सकल घरेलू उत्पाद में उपभोग की हिस्सेदारी बचत के उच्च स्तर से अवरोधित बनी हुई है। 2018-19 में वस्तुओं का निर्यात 8.8 फीसदी बढ़ा। जबकि पिछले साल इसमें 10 फीसदी की बढ़ोतरी दर्ज हुई थी।

हालांकि अमेरिका-चीन व्यापार में जारी तनाव को देखते हुए यह स्पष्ट तौर पर 2019-20 में निर्यात में कमजोर बढ़ोतरी का जिक्र अर्थव्यवस्था में गिरावट के प्रमुख जोखिम के तौर पर करता है। आर्थिक

समीक्षा में कहा गया है कि अगर यथास्थिति बरकरार रही तो 2019-20 में निर्यात में बढ़ोतरी का परिदृश्य कमजोर रहेगा और इस बारे में चेतावनी भी दी गई है। अप्रैल 2019 में चर्चर्ड इकॉनॉमिक आउटलुक ने दुनिया में आउटपुट घटकर 3.3 फीसदी रहने का अनुमान लगाया गया है, जो 2018 में 3.6 फीसदी रहा था।

## रुपये का अवमूल्यन

इसमें कहा गया है कि निर्यात में जरूरी बढ़ोतरी के लिए जीडीपी की रफ्तार 8 फीसदी होनी चाहिए और इसके लिए वास्तविक प्रभावी विनिमय दर में कमी जरूरी है। आर्थिक समीक्षा में कहा गया है, हम निर्यात में बढ़ोतरी उत्पादकता में इजाफे के जरिए करने पर जोर दे रहे हैं, न कि मुद्रा के ह्रास से। हालांकि सरकार ने निर्यात में उच्च बढ़ोतरी पर

जोर दिया है, जैसा कि रुपये में गिरावट के चलते रुपये के लिहाज से देखा गया था, वहीं 2018-19 में आयात घटा।

उद्योग की तरफ से भारत के मौजूदा मुक्त व्यापार समझौते पर दोबारा नजर डालने की मांग के आलोक में समीक्षा में कहा गया है कि मुक्त व्यापार समझौते वाले देशों से भारत का आयात बढ़ा है और यह भारत के कुल आयात का 52 फीसदी है। दूसरी ओर भारत का निर्यात लगातार घट रहा है। कारोबारी साझेदार के साथ निर्यात की हिस्सेदारी कुल निर्यात में 36.9 फीसदी है।

निर्यात बढ़ाने के लिए गठित उच्चस्तरीय सलाहकार समूह ने सुझाव दिया था कि उद्योग के लिए सभी व्यापार समझौतों के असर का अध्ययन किया जाना चाहिए।

भारत ने विभिन्न देशों के साथ 28 द्विपक्षीय व अन्य व्यापार समझौते किए हैं।

**पूर्वी एशियाई मॉडल**

समीक्षा में पूर्वी एशियाई अर्थव्यवस्थाओं मसलन जापान, दक्षिण कोरिया व चीन की अगुआई में विनिर्माण के चलते हुई बढ़त पर ध्यान केंद्रित किया गया है। मुख्य आर्थिक सलाहकार के. सुब्रमण्यन ने उत्पादकता में मजबूती, नौकरियों के सृजन व निर्यात में बढ़ोतरी के लिए गहन श्रम वाले विनिर्माण पर निवेश के मामले में पूर्ववर्ती अरविंद सुब्रमण्यम के विचारों को अपनाया है।

दो प्रमुख क्षेत्रों कपड़ा व चमड़ा में सरकार ने और ढांचागत सुधार का संकेत दिया है। हालिया समीक्षा में एक बार फिर लक्षित योजना के जरिये वैश्लेष्य निर्यात में भारत की भागीदारी में बढ़ोतरी का आह्वान किया है और इसके लिए अहम बाजारों में बाजार हिस्सेदारी में इजाफा करने की बात कही गई है।

## बीएस सूडोकू 3 4 7 7

	7	8	1		9			
2	3		5	6		7		9
9	4			2			8	
3					5	9	6	7
7								8
6	5	9	3					4
	2			3			9	6
8		3		5	6		7	1
			9		4	8	2	

परिणाम संख्या 3476									
4	9	5	2	7	8	3	1	6	
7	2	8	6	3	1	9	4	5	
1	6	3	4	5	9	7	8	2	
8	5	6	1	9	7	2	3	4	
2	1	9	8	4	3	5	6	7	
3	4	7	5	2	6	8	9	1	
5	7	1	3	8	4	6	2	9	
9	3	4	7	6	2	1	5	8	
6	8	2	9	1	5	4	7	3	

## कैसे खेलें ?

हर रो, कॉलम और 3 बाई 3 के बॉक्स में एक से लेकर नौ तक की संख्या भरें।

बहुत आसान

★☆☆☆☆

## ऊर्जा ■ ऊर्जा बचत के लिए होंगे प्रयास

# संसाधनों का बेहतर इस्तेमाल और ऊर्जा दक्षता पर पहल हो

**श्रेया जय और शाइन जैकब**  
नई दिल्ली, 4 जुलाई

आर्थिक समीक्षा में इस बार बुनियादी ढांचे के निर्माण के साथ सतत विकास पर ध्यान केंद्रित करने के बजाय संसाधन को युक्तिसंगत बनाने और ऊर्जा दक्षता पर जोर दिया गया है। समीक्षा में सुझाव दिया गया है कि भारत को ब्रिटेन और आइसलैंड जैसे अन्य तमाम देशों की तरह संसाधन दक्षता में निवेश करना चाहिए। इसके लिए पुनर्चक्रण, दोबारा उपयोग करने, खपत घटाने और नुकसान घटाने पर जोर देना होगा। भाजपा के नेतृत्व वाली केंद्र सरकार ने अपने पहले कार्यकाल में ऊर्जा तक पहुंच बढ़ाने के लिए कई योजनाओं की शुरुआत की थी और कुछ योजनाओं का नाम भी बदल दिया था। घरों तक बिजली पहुंचाने वाली योजना सौभाग्य और मुफ्त रसोई गैस कनेक्शन देने की योजना उज्ज्वला इसके उदाहरण हैं। अप्रैल 2019 तक उज्ज्वला योजना के तहत करीब 7.18 करोड़ परिवारों को रसोई



गैस कनेक्शन दिए गए जबकि इस दौरान सौभाग्य योजना के तहत 99 फीसदी परिवारों तक बिजली पहुंचा दी गई।

इन योजनाओं के प्रभाव के बारे में आर्थिक समीक्षा में कहा गया है कि भारत में ऊर्जा तक पहुंच बढ़ाने पर काफी जोर दिया गया है जिससे पर्यावरण पर दबाव और उसकी निरंतरता संबंधी चिंताएं बढ़ रही हैं। इसे दूर करने के लिए राष्ट्रीय स्तर पर एक संस्था- संसाधन दक्षता ब्यूरो (बीआईडी)- बनाने का सुझाव दिया

गया है जो विभिन्न मंत्रालयों के बीच तालमेल स्थापित करेगी।

समीक्षा में कहा गया है, 'विभिन्न अध्ययन में संसाधन दक्षता के आर्थिक प्रभाव का विश्लेषण किया गया है और पाया गया कि विनिर्माण क्षेत्र में इससे 6,000 करोड़ रुपये की बचत की जा सकती है। प्रभावी कचरा प्रबंधन नीतियों से 14 लाख रोजगार सृजित हो सकते हैं और गाड़ियों के कबाड़ से करीब 80 लाख टन इस्पात तैयार किया जा सकता है।' संसाधन दक्षता के लिए एजेंडे

को आगे बढ़ाते हुए समीक्षा में इसके लिए एक राष्ट्रीय नीति तैयार करने के लिए कहा गया है। साथ ही यह भी कहा गया है कि संसाधनों की खपत घटाने, कचरा उत्पादन में कमी लाने और ग्रीनहाउस गैस का उत्पादन घटाने के लिए स्थायी सार्वजनिक खरीद पर एक नीति बनाने और संसाधन दक्षता के क्षेत्र में नवाचार को बढ़ावा देने की जरूरत है।

भारत सरकार ऊर्जा तक पहुंच बढ़ाने वाली योजनाओं के साथ-साथ विभिन्न ऊर्जा दक्षता कार्यक्रम पहले से ही चला रही है। समीक्षा में कहा गया है कि वर्ष 2017-18 में ऊर्जा दक्षता कार्यक्रमों से लागत में 50,000 करोड़ रुपये से अधिक की बचत हुई और कार्बन डाइऑक्साइड उत्सर्जन में करीब 11 करोड़ टन की कमी आई। आर्थिक समीक्षा में ऊर्जा दक्षता के लिए विभिन्न उपायों को सुझाते हुए कहा गया है कि भारत को कोयला एवं अक्षय ऊर्जा के महत्त्व को ध्यान में रखते हुए एक व्यापक ऊर्जा नीति तैयार करने की जरूरत है।

## इलेक्ट्रिक वाहनों के लिए प्रोत्साहन के बजाय बुनियादी ढांचा जरूरी

आर्थिक समीक्षा में विभिन्न अध्ययन के हवाले से कहा गया है कि इलेक्ट्रिक वाहन के विनिर्माताओं और उपयोगकर्ताओं को प्रोत्साहन देने के बजाय चार्जिंग बुनियादी ढांचा कहीं अधिक जरूरी है। इससे देश में बड़े पैमाने पर इलेक्ट्रिक वाहनों के इस्तेमाल को बल मिलेगा। इलेक्ट्रिक वाहनों को बैटरी से चलाने की क्षमता जीवाश्म के मुकाबले काफी कम है।

मुख्य आर्थिक सलाहकार ने यह सुझाव ऐसे समय में दिया है जब उद्योग और सरकार की नीतियों पर विचार करने वाली संस्था नीति आयोग ने इसकी रूपरेखा के बारे में परस्पर विरोधी विचार व्यक्त किए हैं। समीक्षा में कहा गया है, 'हमने पाया कि इलेक्ट्रिक वाहनों की बाजार हिस्सेदारी काफी हद तक चार्ज की उपलब्धता पर निर्भर है और चार्जिंग पॉइंटों की उपलब्धता इलेक्ट्रिक वाहनों के बड़े पैमाने पर इस्तेमाल से संबंधित है। चार्जिंग बुनियादी ढांचे की उपलब्धता बढ़ने के साथ ही इलेक्ट्रिक वाहनों की बाजार हिस्सेदारी भी बढ़ेगी।' समीक्षा में कहा गया है कि भारत में चार्जिंग बुनियादी ढांचे की उपलब्धता सीमित है और इलेक्ट्रिक वाहनों को अपनाने की राह में इसे एक बड़ी बाधा मानी जा रही है। हालांकि तमाम चुनौतियों के बावजूद समीक्षा में कहा गया है कि इलेक्ट्रिक वाहन भारत का भविष्य है और अनुकूलन नीतियों की मदद से भारत इलेक्ट्रिक वाहनों के उत्पादन का एक प्रमुख केंद्र के तौर पर उभर सकता है।

बीएस



## बिज़नेस स्टैंडर्ड

वर्ष 12 अंक 119

## पुराने सुझाव, नया तरीका

**देश** के मुख्य आर्थिक सलाहकार के वी सुब्रमण्यन ने अपनी पहली आर्थिक समीक्षा में सफलतापूर्वक पुरानी और सुविचारित अनुशंसाओं को एक नए और देसी रूप में प्रस्तुत किया है। सरकार को निजी निवेश पर ध्यान देना चाहिए, निर्यात को बढ़ावा देना चाहिए और प्रशासनिक सुधार करना चाहिए, सरसरी तौर पर देखें तो इन सुझावों में कुछ भी

उल्लेखनीय नहीं है। परंतु समीक्षा ने इन नीतिगत निर्देशों को ताजगी प्रदान करते हुए उन्हें देश की हालिया आर्थिक सफलताओं से इस प्रकार जोड़ा है कि वह राजनीतिक नीति निर्माताओं को प्रेरित करेगी। इसके अलावा उन्होंने इन व्यापक अनुशंसाओं को पारंपरिक वृद्धि नीतियों के साथ सुसंगत बनाया है जबकि देश और विदेश में तमाम लोग ‘औद्योगिक नीति’ वाले

दिनों की वापसी की वकालत कर रहे हैं। समीक्षा ने उस सामान्य समझ को भी चुनौती दी है जिसमें माना जाता है कि भारत को निवेश और निजी निवेश को केंद्र में रखते हुए खपत आधारित वृद्धि पर भरोसा करना चाहिए। यही कारण है कि उनकी नीति को निर्यात वृद्धि पर भी ध्यान देना चाहिए। यह उस बढ़ते संरक्षणवाद के विरुद्ध है जो सरकार के कुछ हालिया कदमों में नजर आता है। तयशुदा निजी निवेश को सन 2000 के दशक के मध्य जैसी ऊंचाइयों पर ले जाए बिना स्थायी उच्च वृद्धि दर का हासिल होना मुश्किल है। बहरहाल, इसका प्रबंधन आसान नहीं। निवेश में इजाफे की भरपाई बचत में इजाफे से करनी होगी, वरना चालू खाते का घाटा एक बार फिर बढ़ेगा। परंतु हाल के वर्षों में निजी कॉर्पोरेट जगत ने

अनिवार्य तौर पर अपने आंतरिक बचत-निवेश के अंतर को समाप्त किया है। ऐसे में अर्थव्यवस्था में विशुद्ध बचतकर्ता आम परिवार हैं जो छोटे और असंगठित कारोबार चलाते हैं। सार्वजनिक क्षेत्र की विशुद्ध उधारी जिसमें केंद्र और राज्यों की बजट और बजट से इतर उधारी शामिल है, उसमें 2011–12 से औसतन 10 फीसदी की दर से इजाफा हुआ। ऐसे में निजी निवेश बढ़ाने के लिए सरकार को कम व्यय और अधिक राजस्व की स्थिति लानी होगी। समीक्षा में इसका उल्लेख करके दलील और मजबूत की जा सकती थी। निजी निवेश के इस संकट की वजह को समझने का प्रयास करें तो समझ आता है कि सुब्रमण्यन ने समीक्षा में यह विषय क्यों छुआ। मजबूत बहुमत वाली सरकार की ओर से स्थिरता की गारंटी के

बावजूद अर्थव्यवस्था में नीतिगत अस्थिरता बनी हुई है। समीक्षा पारदर्शी, स्वतंत्र और गुणवत्तापूर्ण नीति निर्माण प्रक्रिया का सुझाव देता है लेकिन अन्य संभावनाएं भी हैं। समुचित कानूनी और प्रशासनिक सुधार तथा उसके साथ संस्थागत स्वायत्तता बचाए रखी जा सके तो नीतिगत अनिश्चितता में कमी आ सकती है। न्यायिक सुधारों का लंबे समय से लंबित प्रश्न भी अहम है। देश में विवाद निस्तारण और अनुबंध प्रवर्तन की दृष्टि से वह अहम है। वास्तविक ब्याज दर बहुत ऊंची है, उसे कम करने की आवश्यकता है। प्रतिगामी नीति जो कंपनियों को उल्टा प्रोत्साहन देते हुए उन्हें छोटी और गैर किफायती बने रहने के लिए प्रोत्साहित करती है, उसे खत्म किया जाना चाहिए और छोटे के बजाय नए उपक्रमों को प्राथमिकता

दी जानी चाहिए। समीक्षा में उचित कहा गया है कि इनमें से पहले वाली कंपनियां वृद्धि और रोजगार पैदा करती हैं। अंत में, निर्यातकों को प्रतिस्पर्धी बनाना प्राथमिकता में होना चाहिए। अर्थव्यवस्था में कंपनियों की औसत उत्पादकता से इसका आकलन किया जाना चाहिए। इसके लिए श्रम कानून सुधारों की आवश्यकता है और समीक्षा इस बात को स्पष्ट रूप से कहती है। इसके लिए वह राजस्थान में 2014 में किए गए श्रम सुधारों के नतीजों को बानगी के रूप में पेश करती है। रुपये के अवमूल्यन का मसला अवश्य नदारद है। समीक्षा एक पाद टिप्पणी में कहती है कि निर्यात को बढ़ावा देने में इसकी भूमिका नहीं है। परंतु अधिमूल्यत मुद्रा का मूल्य सही करना प्रतिस्पर्धी बढ़त पाने का सबसे सस्ता और आसान तरीका है।



अजय मोहंती

# कॉर्पोरेट कर दर में कमी की जरूरत

करों में मामूली बदलाव करके हम उन विसंगतियों को दूर कर सकते हैं जिनके कारण पूंजी की उपलब्धता और उसका प्रवाह बाधित होता है। विस्तार से जानकारी प्रदान कर रहे हैं **अजय शाह**

अगर कॉर्पोरेट मुनाफे पर उच्च कराधान की तुलना की जाए तो उभरते बाजारों या जी–20 देशों की तुलना में भारत की स्थिति थोड़ी अस्वाभाविक नजर आती है। सन 2001, 2005 और 2007 में भारत की कॉर्पोरेट कर दर जी–20 देशों की कर दर के माध्य से करीब 9 से 10 फीसदी अधिक थी। उसके बाद यह अंतर बढ़कर 21 फीसदी तक पहुंच गया क्योंकि दुनिया भर में कॉर्पोरेट कराधान में गिरावट आई। कॉर्पोरेट कराधान से भारत को लाभ होता क्योंकि इससे स्थानीय और विदेशी निवेशकों के बीच भारत की लोकप्रियता बढ़ती है। वह कॉर्पोरेट स्वरूप के दोहरे कराधान को कम करता है और अप्रत्यक्ष माध्यमों से संपत्ति और कर राजस्व में इजाफा करता है। यह प्रक्रिया 2015 में आरंभ हुई थी और 5 जुलाई के भाषण में इसका उल्लेख होना चाहिए।

ओईसीडी एक ऐसी माप व्यवस्था संचालित करता है जो निगमों की कुल आय पर समग्र कर दर्शाती है। भारत दो मामलों में अलग नजर आता है।

वर्ष 2018 में भारत 48.3 फीसदी की उच्च दर के साथ अलग नजर आता है।

अगर इसकी तुलना उभरते बाजारों के 25 फीसदी के औसत या जी–20 देशों के 27.7 फीसदी के औसत से की जाए तो भारत में दर काफी ज्यादा है।

बीते तमाम वर्षों में दरों में बदलाव के मामले में भी भारत अन्य देशों या क्षेत्रों के साथ सुसंगत नहीं है। वर्ष 2000 में भारत में यह दर 48.1 फीसदी थी जबकि आज भी हमारे यहां लगभग इतनी ही दर है। जबकि समय बीतने के साथ–साथ उभरते बाजारों की दर 5 प्रतिशत तक गिरी और मध्यम अवधि में जी–20 देशों में यह दर 8.3 फीसदी तक कम हुई। इन वजहों से भारत उच्च कराधान वाला देश बन गया है।

यह ध्यान देने वाली बात है कि सन 2001, 2005 और 2006 में भारत और जी–20 देशों की दरों का अंतर बहुत कम था। यह वह दौर था जब बहुत बड़े पैमाने पर कारोबारी विस्तार की प्रक्रिया आरंभ हुई। हालांकि हम इसे विस्तार की इकलौती वजह नहीं मान सकते। सच तो यह है कि वर्ष 2002 से 2008 के बीच नीति निर्माण के कई तत्व देश के पक्ष में रहे। यह अवश्य कहा जा सकता है कि कर दरों का प्रतिस्पर्धी होना भी इसकी एक वजह थी।

यह अहम मसला क्यों है ? निगमों की कर दर कम रखने के पीछे प्रमुख तौर पर तीन दलील हैं। पहली बात तो यह कि हमें व्यक्तिगत कराधान पर ध्यान केंद्रित करना चाहिए। सभी लोगों की कुल आय का आकलन कर व्यक्तिगत आय कर लगाया जाए। एक बार ऐसा होने के बाद संस्थागत ढांचे पर अलग से कर लगाने की आवश्यकता नहीं है, फिर चाहे वह साझेदारी वाली फर्म हो या स्वामित्व वाली या फिर सीमित दायित्व वाली कंपनी। कॉर्पोरेट को दंडित करके हम विभिन्न कारोबारों को अन्य तरीकों से संगठित होने का अवसर दे रहे हैं। यह अर्थव्यवस्था के लिए ठीक नहीं है। विभिन्न कॉर्पोरेट द्वारा भारी लाभांश भुगतान की मांग करने वाले नियम यह सुनिश्चित कर सकते हैं कि कॉर्पोरेट मुनाफे को व्यक्तिगत आय में दर्शाया जाए और इस पर व्यक्तिगत आय कर लगाया जाए।

दूसरी अहम बात पूंजी के प्रवाह से संबंधित है। पूंजी पर कर या वित्तीय लेनदेन पर कर की व्यवस्था इसलिए कमजोर रही है क्योंकि ये बाजार स्थिर नहीं हैं। आधुनिक विश्व में भारतीय और वैश्विक पूंजी धारकों के पास निवेश के लिए

हमें उभरते बाजारों की माध्य दर तक सीमित नहीं रहना चाहिए। बल्कि हमें वैश्विक मानकों पर प्रतिस्पर्धी होना होगा। अगर हम 20 फीसदी कॉर्पोरेट टैक्स लेते हैं तो हम तीन चौथाई उभरते बाजारों से बेहतर स्थिति में होंगे। खासतौर पर हम चीन की तुलना में अधिक आकर्षक होंगे क्योंकि वहां कर दर 25 फीसदी है।

वर्ष 2015 में इसके क्रियान्वयन के लिए भविष्य की कई तिथियां घोषित की थीं। देसी और विदेशी निवेशक इस पर सुस्त रहे और बाद में उनकी आशंका सही साबित हुई। आगामी बजट भाषण में इसके क्रियान्वयन की घोषणा करना सही होगा। इससे 2019–2020 में थोड़ी दिक्कत हो सकती है लेकिन आगे चलकर हालात बेहतर होंगे।

इसे सीमा शुल्क कटौती के तर्ज पर लागू किया जा सकता है। सन 1991 से 2003 तक इसमें लगातार कटौती हुई जिसका कर अधिकारियों ने विरोध भी किया क्योंकि कर राजस्व में कमी आ रही थी। परंतु संरक्षणवाद समाप्त होने से आर्थिक गतिविधियां बढ़ीं और इसकी भरपाई हो गई।

आमतौर पर के सामने सबसे गंभीर मुद्दा मेडिकल और इंजीनियरिंग कॉलेजों की गुणवत्ता है। नियामक स्तरहीन या नाम मात्र के कॉलेजों को मान्यता दे देते हैं। प्रबंधन पूरे पाठ्यक्रम के लिए 1 करोड़ रुपये तक वसूल लेते हैं। वे छात्रों की स्वीकृत संख्या से अधिक पैसा प्रवेश दे देते हैं। इससे भ्रष्टाचार पैदा होता है। पिछले दिनों भारत के मुख्य न्यायाधीश ने प्रधानमंत्री को पत्र लिखा था कि अपात्र मेडिकल कॉलेजों को

मान्यता देने के लिए इलाहाबाद उच्च न्यायालय के एक न्यायाधीश को हटया जाए। हालांकि पेशेवर कॉलेजों को लेकर बड़ी तादाद में फैसले आते हैं, लेकिन इनमें एकरूपता नहीं है। ये आदेश केवल तथ्य हैं, जो केवल उस सीजन में किसी विशेष संस्थान की समस्या को सुलझाते हैं।

इसलिए पहले के आदेशों का हवाला देते हुए और अधिक याचिकाएं दायर की जा रही हैं और पुरानी याचिकाओं पर स्पष्टीकरण आदेशों में दशकों पहले के आदेशों को देखा जाता है, इसलिए यह वकीलों के लिए कमाई का अच्छा जरिया होता है।

जो छात्र निचले ग्रेड के कॉलेजों में प्रवेश लेते हैं, वे आम तौर पर एक नपा–तुला जोखिम लेते हैं। उनका पाठ्यक्रम में बने रहना संयोग की बात है। उच्चतम न्यायालय ने कुछ मामलों में उन्हें पाठ्यक्रम पूरा करने की मंजूरी दी है, लेकिन कुछ अन्य में प्रबंधन को हर्जाने के रूप में भारी राशि लौटाने को कहा गया।

### कानाफूसी

**राम गोपाल की चिंता**

समाजवादी पार्टी के राज्य सभा सदस्य राम गोपाल यादव ने बुधवार को शून्यकाल के दौरान सदन में कहा कि अश्लील विज्ञापन और अंतःवस्त्र पहने मॉडलों के दृश्य टेलीविजन पर दिखाए जाने के कारण महिलाओं के खिलाफ अपराध बढ़ रहे हैं। यादव ने ऐसे विज्ञापनों पर प्रतिबंध लगाने की मांग की और कहा कि ऐसा करने से ही हमारी संस्कृति दुष्प्रभावों से बच सकेगी। उन्होंने कहा कि ऐसे विज्ञापनों के कारण परिवार के साथ ठीकी पर समाचार के कार्यक्रम देखना भी दूभर हो गया है। उन्होंने आनोल्ड जे टॉयन्बी की किताब अ स्टडी ऑफ हिस्ट्री का उल्लेख करते हुए कहा कि नम्रता और शराबनोशी सभ्यता को हो रहे नुकसान की दो प्रमुख वजह हैं। उन्होंने कहा कि भाजपा ने अनुच्छेद 370 खत्म करने का वादा किया था लेकिन भारतीय दंड संहिता की धारा 377 समाप्त की गई। भारतीय संविधान का अनुच्छेद 370 कश्मीर को विशेष दर्जा देता है।

**कौन बनेगा प्रदेश अध्यक्ष?**

मध्य प्रदेश के मुख्यमंत्री कमलनाथ की नई दिल्ली में राहुल गांधी से ताजा मुलाकात के बाद माना जा रहा था कि कांग्रेस जल्दी ही मध्य प्रदेश प्रदेश कांग्रेस के अध्यक्ष का नाम घोषित कर देगी लेकिन अब तक ऐसा नहीं हो सका है। इस पद के लिए प्रदेश में एक अनार, सी बीमार की स्थिति बनी हुई है। कई नेता तो इसके लिए लॉबीइंग भी कर रहे हैं। संभावित दावेदारों में सबसे बड़ा नाम ज्योतिरादित्य सिंधिया का है। उनके अलावा प्रदेश के गुहमंजी बाला बच्चन, उमंग सिंधार और अजय सिंह राहुल जैसे नेताओं के नाम भी चर्चा में हैं। प्रदेश के कई मंत्री खुलकर सिंधिया के पक्ष में अपनी राय जाहिर कर चुके हैं। इनमें गोविंद गौतम, प्रभुराम चौधरी और प्रद्युम्न सिंह तोमर शामिल हैं। हालांकि सूत्रों के मुताबिक मुख्यमंत्री खुद गुहमंजी बाला बच्चन को प्रदेश अध्यक्ष के रूप में देखना चाहते हैं।



### आपका पक्ष

**देश में बेरोजगारी की दर कम**

अंतर्राष्ट्रीय श्रम संगठन की हाल में जारी रिपोर्ट के अनुसार भारत में चीन और एशिया प्रशांत देशों के मुकाबले बेरोजगारी की दर कम है। रिपोर्ट के मुताबिक भारत में बेरोजगारी दर 3.5 फीसदी है जबकि चीन में 4.7 फीसदी और एशिया प्रशांत देशों में 4.2 फीसदी है। राज्यमंत्री (स्वतंत्र प्रभार) संतोष गंगवार ने राज्य सभा में कहा कि भले ही इस रिपोर्ट में देश को कम बेरोजगारी दर की श्रेणी में रखा है लेकिन वे इस रिपोर्ट से संतुष्ट नहीं हैं तथा सरकार रोजगार सृजन करने में प्रयासरत है। रोजगार सुधार के लिए भी प्रयास किए जा रहे हैं। उन्होंने कहा कि देश में रोजगार की कमी नहीं लेकिन युवा एक स्थिर रोजगार की तलाश में होते हैं। देश में संगठित एवं असंगठित क्षेत्र से रोजगार सृजन होते हैं। लेकिन सरकार के पास असंगठित क्षेत्र में कितना प्रतिशत रोजगार है इस बारे में जानकारी नहीं होती है। इसलिए देश में



वास्तविक बेरोजगारी दर का पता चलना मुश्किल हो जाता है। वस्तु में अधिकतर युवा सरकारी महकमे में इसलिए रोजगार चाहते हैं ताकि उन्हें स्थिर एवं सुरक्षित रोजगार मिल सके जबकि असंगठित क्षेत्र में वेतन कम होता है। अगर इन आंकड़ों से परे सोचा जाए तो भारत में दुनिया के 15 से 17 प्रतिशत युवा हैं। किसी देश का

**देश में बेरोजगारी दर कम करने के लिए सरकार को उचित नीति बनाने की जरूरत है**

युवा होना एक सुनहरा अवसर माना जाता है क्योंकि देश के पास जनसांख्यिकीय लाभांश लेने का पूरा मौका होता है। लेकिन इन युवाओं को रोजगार मुहैया कराना

**खेती में पानी खपत कम करनी होगी**

देश में सबसे ज्यादा पानी की खपत फसलों में होती है। पानी की कुल

उपलब्धता का 5 प्रतिशत पेयजल के रूप में, 15 प्रतिशत औद्योगिक कामों में और 80 प्रतिशत कृषि कार्यों में इस्तेमाल किया जाता है। मौजूदा कृषि पद्धति में एक किलो चावल के उत्पादन में 5,600 लीटर पानी की खपत होती है, वहीं चीन में यह मात्रा 350 लीटर है। सरकार इस अंतर को तकनीक, शोध आदि के जरिये पूरा करने पर जोर देना चाहिए। स्थानीय परिस्थितियों के आधार पर कृषि उपकरण को बढ़ावा देने के लिए विभिन्न राज्य सरकारों ने कारगर पहल की है। इनमें हरियाणा सरकार ने धान के बजाय कम पानी वाली फसलों को बढ़ावा दिया है। इसी तरह जलसंभरण की दिशा में महाराष्ट्र और राजस्थान ने प्रयास किए हैं। जल संचयन और जलसंभरण के पारंपरिक तरीकों को ग्रामीण इलाकों से सीखने की जरूरत है। सामुदायिक भागीदारी से जल संचयन को बच संरक्षण के उपायों को कारगर बनाया जा सकता है। इसमें तालाब, कुओं और प्राकृतिक जलाशयों का पुनर्निर्माण भी शामिल है।

**पाठक अपनी राय हमें इस पते पर भेज सकते हैं : संपादक, बिजनेस स्टैंडर्ड लिमिटेड, 4, बहादुर शाह जफर मार्ग, नई दिल्ली - 110002. आप हमें ईमेल भी कर सकते हैं : lettershindi@bsmail.in**
**उस जगह का उल्लेख अवश्य करें, जहां से आप ईमेल कर रहे हैं।**





## अर्थव्यवस्था की रफ्तार

संस्कार की दूसरी पारी को पहली आर्थिक समीक्षा में इस साल विकास दर के सात फीसद तक रहने का अनुमान लगाया गया है। समीक्षा में बताया गया है कि उपभोक्ता मूल्य सूचकांक पर आधारित मुद्रास्फीति बीते अप्रैल में घट कर तीन फीसद से नीचे आ गई है। पिछले पांच सालों में मुद्रास्फीति में निरंतर गिरावट आई है और यह 5.9 से घट कर 2.9 पर पहुंच गई है। इसी तरह उपभोक्ता खाद्य मूल्य सूचकांक पर आधारित खाद्य महंगाई दर वित्त वर्ष 2018-19 में घट कर 0.1 फीसद के निम्न स्तर पर पहुंच गई है। आर्थिक मंदी के अनुसार खाद्य महंगाई की दर निम्न स्तर पर स्थिर रही है। इससे इमर्पल हुआ कि फलों, सब्जियों, दालों और अन्य कृषि उत्पादों की कीमतों में कमी दर्ज की गई। रुपए की विनिमय दर जरूर बढ़ी है, क्योंकि कच्चे तेल की कीमतों में लगातार वृद्धि की वजह से डॉलर के मुकाबले रुपया कमजोर हुआ है। मगर इसके संभलने का अनुमान नहीं है। इसी तरह विदेशी कर्ज लगातार घट रहा है। यह पिछले साल के 521.1 अरब डॉलर से घट कर 417.3 अरब डॉलर तक आ गया है। वस्तुओं के निर्यात में वृद्धि हुई है। समीक्षा में राजकोषीय घाटे के 3.4 प्रतिशत पर रहने का अनुमान लगाया गया है। इस तरह अब अर्थव्यवस्था में मजबूती आने के संकेत मिल रहे हैं।

सरकार को पछले कार्यकाल में अर्थव्यवस्था कमजोर स्थिति में पहुंच गई थी। इसे लेकर विपक्ष लगातार हमलावर दिखता। इसलिए सरकार ने अपने दूसरे कार्यकाल के शुरु में ही सबसे पहले अर्थव्यवस्था को मजबूत बनाने की दिशा में ध्यान केंद्रित किया। राज्यों के मुख्यमंत्रियों के सम्मेलन में प्रधानमंत्री ने आह्वान किया कि हमें अर्थव्यवस्था का आकार पांच हजार अरब डॉलर तक बढ़ाना है। लक्ष्य बड़ा है, पर मुश्किल नहीं। अगर सभी राज्य सरकारों साथ मिल कर काम करेंगे, तो अगले पांच सालों में इस लक्ष्य व्यवहार तक पहुंचा जा सकता है। इसी के मद्देनजर विभिन्न विभागों के वरिष्ठ मंत्रियों की दो समितियां बनाई गईं, जो अर्थव्यवस्था को मजबूत बनाने संबंधी उपायों पर विचार करेंगी। इसमें नए रोजगार पैदा करने पर भी जोर है। इसके मद्देनजर आर्थिक समीक्षा में आकलन किया गया है कि जिन छोटे और मझोले उद्योगों में बड़े उद्योग के रूप में विकसित होने की संभावना है, उन्हें प्रोत्साहन दे दिया जाएगा। समीक्षा में होकार दर को आठ फीसद पर स्थिर रखने का लक्ष्य रखा गया है, तभी अर्थव्यवस्था का आकार पांच हजार अरब डॉलर का बनाने में मदद मिल सकती है।

मगर सरकार के सामने कुछ बड़े चुनौतियां भी हैं। उनमें लोगों की क्रय क्षमता बढ़ाना, नियाँत को संतोषजनक स्तर पर पहुँचाना, उत्पादन की दर बढ़ाना और घरेलू बाजार में गति लायन प्रमुख हैं। सरकार इन चुनौतियों से वाकिफ है। इसलिए आर्थिक समीक्षा में कहा गया है कि कच्चे तेल की कीमतों में वृद्धि का असर बना रहेगा, पर भारत पर बहुत असर नहीं रहेगा, क्योंकि वैश्विक उत्पादन बढ़ेगा, तो भारत का नियाँत भी बढ़ेगा। इसके साथ ही अगर विदेशी निवेश बढ़ेगा तो चालू खाते के घाटे को पाटने में मदद मिलेगी। उत्पादन की दर बढ़ेगी, तो नए रोजगार के सृजन में भी मदद मिलेगी। इस तरह लोगों की क्रय क्षमता बढ़ेगी और नतीजतन घरेलू बाजार में गति आएगी। मगर सरकार विदेशी निवेश आकर्षित करने की दिशा में क्या नई रणनीति अपनाती है, देखने की बात है। इसी तरह बैंकों की हालत सुधारने की दिशा में किए गए प्रयास भी अर्थव्यवस्था की रफ्तार पर काफी कुछ असर डालेंगे।

# इलाज में पारदाशता

हमारे देश में बीमारी और चिकित्सा को लेकर आम लोगों के बीच जागरूकता का स्तर पहले ही बहुत कम है। ज्यादातर लोग अपनी सेहत खराब होने पर बीमारी से लेकर उसके कारणों के बारे में कई तरह का अंदाजा लगाने में ही अपना काफी वक्त गुजार देते हैं। फिर डॉक्टर के पास जाने के बाद बीमारी की पहचान, उसके लिए परामर्श के तौर पर ली जाने वाली दवाओं के नाम और जांच आदि के जो व्योरे पर्चे पर लिखे जाते हैं, उन्हें समझना मरीज या उनके परिवारों के लिए मुमकिन नहीं होता है। उसे या तो खुद डॉक्टर समझ पाता है या फिर उसका सहयोगी। कई बार तो दवा की दुकान में बैठे लोग भी कुछ शब्दों या अक्षरों को लेकर भ्रमित हो जाते हैं। इसकी मुख्य वजह यह है कि पर्ची पर डॉक्टर की लिखावट स्पष्ट नहीं होती। एक तरह से वह संकेत की भाषा में लिखा होता है, जिसे समझना आमतौर पर सबके वश में नहीं होता। इसकी वजह से कई तरह की परेशानी खड़ी होती है, जिसमें दवाइयों बदल जाने से लेकर उसके असर तक में जोखिम पैदा होता है।

इसलिए समय-समय पर ऐसी मांग उठती रही है कि डॉक्टर मरीजों के लिए बनाई जाने वाली पर्ची पर परामर्श के तौर पर निर्देशों और खासकर दवाइयों के नाम और जांच के बारे में स्पष्ट और बड़े अक्षरों में लिखें, ताकि वह न केवल कंपाउंडरों और दवा दुकानदारों, बल्कि खुद मरीजों या उनके परिजनों को भी आसानी से समझ में आए। इससे एक तरह की पारदर्शिता भी सुनिश्चित होगी। शायद यही वजह है कि लगभग की किंग जॉर्ज मेडिकल यूनिवर्सिटी ने अपने यहां काम करने वाले सभी डॉक्टरों के लिए यह निर्देश जारी किया है कि वे अब पचे पचावों और जांच के नाम बड़े-बड़े और साफ अक्षरों में लिखें। यों भी, अगर अपना लिखा केवल डॉक्टर और उसके कंपाउंडर को समझ में आता है तो दूसरों की मदद से मरीजों की तात्कालिक मदद तो हो जाती है, लेकिन अगर किन्हीं वजहों से बाद में बीमारी और उसके इलाज के चिकित्सकीय अध्ययन की जरूरत पड़े तो उसमें अस्पष्टता और अक्षरों की नतीजे में गलत निष्कर्ष का खतरा बना रहता है।

हालांकि मॉडकल काउंसिल ऑफ इंडिया के नियमों में यह साफतौर पर दर्ज है कि डॉक्टरों को अपनी पची पर स्पष्ट और बड़े अक्षरों में सलाह, दवा और जांच के नाम लिखने होंगे। विभिन्न अनेजरी अस्पतालों को भी मान्यता देते समय यह शर्त लिखित रूप में सामने रखी जाती है। खुद सरकार की ओर से समय-समय पर इस संबंध में स्पष्ट निर्देश जारी किए जाते हैं। मगर डॉक्टरों को इन नियमों का पालन जरूरी नहीं लगता है। इसके समांतर कई बार यह भी देखा जा सकता है कि डॉक्टर या उसके सहयोगी मरीजों के लिए दवा लिखने के बाद किसी खास दुकान से ही दवा खरीदने की सलाह देते हैं। दिलचस्प है कि उस दुकानदार को पचें पर लिखी गई दवा का नाम आसानी से समझ में आ जाता है। यानी यह भी संभव है कि इस क्रम में कमीशन के लेन-देन का खेल चलता हो। इसलिए अगर पचें पर दवा और जांच का नाम साफ-साफ लिखा जाए तो उससे मरीजों या उनके परिजन को बीमारी और उसके इलाज के लिए खरीदी जाने वाली दवा को लेकर स्पष्टता होगी। इससे न सिर्फ मरीजों और उनके परिजनों को सुविधा होगी, बल्कि चिकित्सा सेवा पर भरोसा भी बढ़ेगा।

# कल्पमेधा

सिर्फ अच्छा होना ही नेतृत्व का गुण नहीं है। सही

होना और मजबूत होना ही असली नेतृत्व है।

**-पॉल कीटिंग**

प्रमोद भार्गव

आधुनिक युग में मानव की तरक्की में प्लास्टिक ने अमूल्य योगदान दिया है। इसलिए कबाड़ के रूप में जो प्लास्टिक अपशिष्ट बचता है, उसका पुनर्चक्रण करना जरूरी है। यदि भारत में कचरा प्रबंधन सुनियोजित तरीके से हो और कचरे के पुनर्चक्रण उद्योगों की शृंखला खड़ी हो जाए तो इस समस्या का निदान संभव है। इससे रोजगार के नए रास्ते भी खुलेंगे।

यह एक चकाने वाला तथ्य है कि हम इस साल में प्लास्टिक के छोटे-छोटे पन्हास हजारों एककण खा जाते हैं। माइक्रो प्लास्टिक यानी ईंसानकण द्वारा जैवाद किए प्लास्टिक के छोटे-छोटे दुकड़े इसकी सफाई करके पूरी दुनिया में अकेले ऐसे कण हैं जो धरती, आकाश और पानी सब जगह मौजूद हैं। इनके अनेक रूप हैं। सिंथेटिक कपड़ों से निकले टुकड़े, कार के सामक कण साफ करने की सलाइनों के टुकड़े, कार के टायराटायर और रोजमर्रा में काम आने वाली वस्तुओं से निकले टुकड़े। एक ताजा शोध के मुताबिक, किसी व्यक्ति के शरीर में प्लास्टिक के कितने कण जाएंगे, यह इस हिसाब पर निर्भर करता है कि वह किस तरह का जीवनयापन करते रहता है और क्या खाता है। कनाडा के वैज्ञानिकों ने शोध के दौरान माइक्रो प्लास्टिक की मौजूदगी के बारे में सैंकड़ों ऑक्साइड का विश्लेषण किया और इसकी तुलना अमेरिकी नागरिकों की खानपान शैली से की। नतीजे में पाया

कि एक वयस्क इंसान एक साल में माइक्रो-प्लास्टिक के करीब बावन हजार कण ग्रहण कर लेता है। ये भोजन-पानी के अलावा सांस लेने के जरिए भी शरीर में चले जाते हैं। केवल सांस के जरिए 1.21 लाख माइक्रो प्लास्टिक के कण शरीर में जा सकते हैं। यानी हर दिन बड़ी संख्या में प्लास्टिक मानव शरीर में पहुंच रहा है।

मानव जनसंख्या शैली का अनवायव्य हस्तारोप बन चुका है। प्लास्टिक पर्यावरणीय संकट के साथ मनुष्य के जीवन के लिए बाढ़ खतरा बन कर उभरा है। हिमालय से लेकर धरती का हर जलश्रोत इसके प्रभाव से प्रदूषित है। वैज्ञानिकों का तो यहां तक दावा है कि अंतरिक्ष में कबाड़ के रूप में जो करोड़ों टुकड़े इश्पर-उश्पर भटक रहे हैं, उनमें बड़ी संख्या प्लास्टिक के कल-पुजो की है। समुद्रों पर नए शोषों से सामने आया है कि अकेले आर्कटिक सागर में बारह सौ टन कबाड़ की कहीं प्लास्टिक हो सकता है। दुनिया भर के समुद्रों में पचास फीसद कचरा केवल काना की सफाई के लिए इस्तेमाल की जाने वाली कॉटन-ईअर बड का होता है। इन अध्ययनों से पता चला है कि 2050 आते-आते समुद्रों में मछलियों की तुलना में प्लास्टिक कहीं ज्यादा होगा। भारत के समुद्री क्षेत्रों में तो प्लास्टिक का इतना अधिक मलबा जमा हो गया है कि समुद्री जीवन-जंतुओं के जीवन पर संकट खड़ा होने लगा है।

एक अनुमान के मुताबिक हर साल 31.1 करोड़ टन प्लास्टिक का उत्पादन किया जाता है। यही वजह है कि समूचा ब्रह्मांड प्लास्टिक कचरे की चपेट में है। पेट में पॉलिथिन जमा हो जाने के कारण मनुष्य पहले पशुधन की मौत की खबरें भी आने आती रहते हैं। यह समस्या भारत की ही नहीं, पूरी दुनिया की है। यह बात अलग है कि हमारे यहां ज्यादा और खुलेआम दिखाई देती है। एक तो इंसानिक कि सच्चता अभिमान कई रूपों में चराचर के बावजूद प्लास्टिक की थैलियों में भरा कचरा शहरों, कस्बे और गांवों की बस्तियों के नुकदुनो पर फैला मिल जाता है। यही बचा-खुचा कचरा नालियों से होता हुआ नदी, नालों, तालाबों से बहता होकर समुद्र में पहुंच जाता है। समुद्रों के बिगड़ते पर्यावरण का यह बड़ा कारण है। माना जा रहा है कि समुद्र की तलहटी में पांच खरब प्लास्टिक के टुकड़े जमा हैं। यही वजह है कि ज्वेलों और मछलियों के उदर में भी ये टुकड़े पाए जाने लगे हैं। सबसे ज्यादा प्लास्टिक ग्रीनलैंड के पास स्थित

समुद्र में मौजूद है। यही टुकड़े मांसाहार और पेयजल के जरिए मनुष्य के पेट में चले जाते हैं।

समुद्र में प्लास्टिक का भयावह माजुदागाँव  
चौकाने वाली रिपोर्ट 'यूके नेशनल रिसर्च्स डिफेंस  
काउंसिल' में भी जारी की है। इस रिपोर्ट के  
मुताबिक हर साल दुनिया भर के सागरों में चौदह  
लाख टन प्लास्टिक धुल रहा है। सिर्फ इंग्लैंड के  
आसपास समुद्रों में पचास लाख करोड़ प्लास्टिक के  
टुकड़े मिले हैं। ये समुद्री सतह को वजनी बना कर  
इसका तापमान बढ़ा रहे हैं। समुद्र में मौजूद इसका  
प्रदूषण के समाधान की दिशा में पहल करते हुए  
इंग्लैंड की सरकार ने पूरे देश में निजी इस्तेमाल वाले  
उत्पादों (पर्सनल केयर प्रोडक्ट) के प्रयोग पर  
प्रतिबंध का प्रस्ताव पारित किया है। इसमें खासतौर  
से उस कपड़े-सलाई का जिम्क है, जो कान  
सफाई में इस्तेमाल होती है। ताजा अध्ययनों से जें  
सहानकरी सामने आई है, उसमें दावा किया गया है  
कि दुनिया के समुद्रों में कुल कचरे का पचास फीसद



अलावा न्यूजीलैंड और इटली में भी कपास-सलाइ को प्रतिबंधित करने की तैयारी शुरू हो गई है।

है कि प्लास्टिक के कचरे समुद्र द्वारा पैदा किया हुआ नहीं है। यह हमने पैदा किया है, जो विभिन्न जल-धाराओं में बहता हुआ नदियों से होता हुआ समुद्र में पहुँचा है। इसलिए अगर इनमें प्लास्टिक कम करना है तो हमें धरती पर रसका इस्तेमाल कम करना होगा। जल प्रदूषण दरअसल हमारी धरती के ही प्रदूषण का विस्तार है, किंतु यह हमारे जीवन के लिए धरती के प्रदूषण से कहीं ज्यादा खतरनाक साबित हो सकता है। माइक्रो प्लास्टिक को लेकर आई रिपोर्ट की गंभीरता को इस बात से समझा जा सकता है कि अगर कोई ईंसान सिर्फ बोतलबंद पानी

पीता है तो भी एक साल में उसके शरीर में नब्बे हजार प्लास्टिक के टुकड़े पहुँच सकते हैं। वैज्ञानिकों का कहना है कि एक सौ तीस माइक्रोमीटर से छोटे प्लास्टिक के कणों में यह क्षमता है कि वह मानव ऊतकों को विस्थापित करके शरीर के उस हिस्से की प्रतिरक्षा प्रणाली को कमजोर कर देता है।

प्लास्टिक के इन दुकड़ों के मनुष्य पर प्रभाव रसयान के बाद का प्रमुख उद्योग यही है कि उपयोग में लाने के बाद प्लास्टिक को इकट्ठा कर उसे पुनर्चक्रित किया जाए। विषय आर्थिक संगठन के अनुसार दुनियाभर में जितना प्लास्टिक बनाया जा रहा है, उसमें से केवल चौहद फीसद को पुनर्चक्रित करने में सक्षम हुआ है। भारत सरकार का केंद्रीय रसायन एवं उर्वक मंत्रालय महानगरों में प्लास्टिक कचरे का पुनर्चक्रण कर बिजली और ईंधन बनाने में लगा है। साथ ही प्लास्टिक के चूर्ण से शहरों और गांवों में सड़कें बनाने में सफलता मिल रही है।

आधुनिक युग में मानव को तत्कालीन में प्लास्टिक के अमूल्य योदान दिए हैं। इसलिए कबाड़ के रूप में जो प्लास्टिक अपशिष्ट बचता है, उसका पुनर्चक्रण करना जरूरी है। यदि भारत में कचरा प्रबंधन सुनियोजित तरीके से हो और कचरे के पुनर्चक्रण उद्योगों की श्रृंखला खड़ी हो जाए तो इस समस्या का निदान संभव है। इससे रोजगार के नए रास्ते भी खुलेंगे भारत में जो प्लास्टिक कचरा पैदा होता है, उसमें से चालीस का फीसद पुनर्चक्रण नहीं हो पा रहा है। प्लास्टिक की विलक्षणता यह है कि इसे पांच से भी अधिक बार पुनर्चक्रित किया जा सकता है। इस प्रक्रिया के दौरान इसमें वैकटो ऑयल भी सह-उत्पाद के

# समांतर सिनेमा की राह

इस धारा की फिल्म के निर्माण और निर्देशन में एकटीआईआइ के युवा छात्र अगुआ थे। सन 1960 में ही एफटीआईआइ की स्थापना हुई थी। फिल्म के अध्येता मणि कौल और कुमार शहानी जैसे निर्देशक और उनके मजदूर जैसे लोग परामर्श की भूमिका में रेखांकित करते रहे हैं। उल्लेखनीय है कि इस संस्थानात्मक की शुरुआत में ही श्रवित्व चक्र इस निर्देशक शिक्षक के रूप में जुड़ गए थे, जिन्होंने युवा फिल्मकारों में एक नई दृष्टि और सिनेमा की समझ विकसित की।

# दुनिया मेरे आगे

फिर 1972 में फिल्म वमां को कहानी 'माया दर्पण' पर इसी नाम से फिल्म बना कर हिंदी सिनेमा में 'फॉर्म' के प्रति एनगिज्जता को लेकर एक विमर्श खड़ा करने वाले कुमार शहानी, मणि कौल के ससपाथी थे। हाल ही में जब कुमार शहानी से मुलाकात हुई तो उन्होंने क्लिटिक घटक की फिल्म 'मेघे ढाकाना' को। शहद से याद कि। समर्पण सिनेमा के परिप्रेक्ष्य में जिस 'एपिक फॉर्मल्लू की चर्चा होती है, उसे घटक से प्रेरित मानते हैं। मणि कौल और कुमार शहानी फ्रेंच यू.वे ओ.आर.हासकर चर्चित फ्रेंच फिल्ममनिशंकर गॉट्ट ब्रेसो से भी काफी प्रभावित थे।

मुख्यधारा का सिनेमा हमेशा से ही बड़ी पूंजी की मांग करता है और वितरक प्रयोगशील सिनेमा पर हाथ

## भ्रष्टाचार पर नकेल

विशेषज्ञों का मानना है कि अफसरशाही के भ्रष्टाचार के खिलाफ सरकार को अपनी परचननीति दो स्तरों पर बनानी होगी और नवीनमानक टेक्नोलॉजी का सहारा लेना होगा। नौकरशाही के भ्रष्टाचार को दो वर्गों में बांटा जा सकता है। पहला उच्च स्तर, जो जनता के ध्यान में नहीं आता पर देश के विकास में यह सबसे बड़ी बाधा है। दूसरी श्रेणी का भ्रष्टाचार स्थानीय है जिससे आम आदमी हर रोज दो-चार होने को मजबूर है। उच्च स्तरीय भ्रष्टाचार पर नकेल डालने के लिए हर विभाग में अत्यधिककालिक व दीर्घकालिक लक्ष्य निर्धारित करने होंगे। विकास परियोजनाओं के संपूर्ण होने पर ही बड़ी बालक बीच-बीच में भी उन्की समीक्षा करनी होगी और हर चरण के लिए जिम्मेवारी तय करनी होगी। बड़ी परियोजनाओं में जनभागेदारी को भी शामिल करना होगा। जिस इलाके में बड़ी परियोजनाएं चल रही हों उससे सर्वाधिक लाभान्वित स्थानीय निवासी ही होते हैं तो फिर इन परियोजनाओं के निर्माण व क्रियान्वयन में वहां की जनता को कैसे अलग रखा जा सकता है !

इन्हीं पाँचों जनजातों में स्थानीय जनप्रतिनिधायक, पंचायतों और प्रभावशाली व्यक्तियों को शामिल करना होगा। हर विभाग में समूह अनावश्यक कानूनों व प्रशासनिक बाधाओं को समाप्त करना होगा जिनकी आड़ में कुछ अधिकारियों को भ्रष्टाचार करने का मौका मिलता है। सरकारी विभागों में सतर्कता तंत्र विकसित कर उन्हें प्रभावशाली बनाना पड़ेगा और भ्रष्टाचार के खिलाफ मिलने वाली शिकायतों पर तुरंत कार्रवाई करनी पड़ेगी। स्थानीय या निचले स्तर पर फैले भ्रष्टाचार के लिये नवीनमत टेक्नोलॉजी का

हथियार बनना होगा। वैसे तो बहुत से सरकारीसेना दल  
कामकाज अब 'आँलाइन' होने लगे हैं पर इसका  
क्रमको भी और बढ़ाना होगा। कितने दुष्कर्म  
बात है कि आज भी किसानों को अपनी ज़मीन की  
नफ़ी, मकानों के कागजात लेने, लासेस  
नफ़ी कराने, विभिन्न तरह के राशन  
भुगतान, बैंकों से ऋण लेने से लेकर चालान कांडी  
बनवाने जैसे छोटे-छोटे कामों के लिए सरकारीसेना  
दलपरों की परिष्का करना पड़ती है जहां उन्हें  
अनावश्यक दौड़ाया, भेदकाया व काम  
लटकाया जाता है ताकि वे विवश होकर सेवागुणक

किसी भी मुद्दे या लेख पर अपनी राय हमें भेजें।  
नोएडा 201301, जिला : गौतमबुद्ध  
आप चाहें तो अपनी बात ईमेल के जरिए भी हम तक पहुंचा सकते हैं।  
chaupal.jansatta@expresso.com

प्रध्याचार की जड़ें भी इतनी मजबूत नहीं जितनी कि दिखाई दे रही हैं। जरूरत है, ईमानदार प्रयास की जब दुनिया के कई देश अपने यहां टेक्नोलॉजी के सहारे ईमानदार व्यवस्था स्थापित कर चुके हैं तो यह हमारे लिए भी एक मुश्किल नहीं है। प्रध्याचार नजले की तरह है जो ऊपर से नीचे बहता है। सुखद यह है कि केन्द्र सरकार ने ऊपर से सफाई अभियान चला दिया है और आशा की जानी चाहिए कि जल्द ही इसका असर पूरी व्यवस्था पर भी पड़ना देखेगा।

● राकेश सैन, वीपीओ- लिदड़ा, जालंधर

## हमारा पर्यावरण

इस बार विश्व पर्यावरण दिवस पर वॉट्सएप और फेसबुक पर बहुत सारे पेड़ लगाए गए यानी पर्यावरण दिवस की शुभकामनाएं वाले संदेशों ने खूब आदान-प्रदान हुआ। बहुत सारे मित्रों ने पेड़ लगाते हुए अपनी फोटो फेसबुक पर डालीं, जिन पर खूब 'लाइक' और 'कमेंट' आए। लेकिन पर्यावरण दिवस के अगले दिन न किसी का पेड़ लगाते फोटो दिखा और न कहीं से पर्यावरण की रक्षा के लिए संदेश आए। दरअसल, पेड़ लगाते हुए फोटो खींच कर सोशल



किसी भी मुद्दे या लेख पर अपनी राय हमें भेजें। हमारा पता है : ए-8, सेक्टर-7,  
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आप चाहें तो अपनी बात ईमेल के जरिए भी हम तक पहुंचा सकते हैं। आइडी है :  
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मीडिया पर डालने और छपवाने से ही धरती पर हरियाली नहीं आने वाली। हमें पर्यावरण की रक्षा के लिए हमेशा तन, मन और धन से जुटे रहना होगा।

# નાચુશ અમેરિકા

भारत और जापान को बढ़ती दोस्ती से अमेरिका नाखुश दिखाई दे रहा है। कार बनाने से शुरू हुई भारत और जापान की दोस्ती अब बुलेट ट्रेन तक आ गई है। यही वजह है कि ओसाका की जी-20 शिखर सम्मेलन में जापानी प्रधानमंत्री शिंजो आबे ने भारतीय प्रधानमंत्री का स्वागत काफी गर्मजोशी से किया। इसके साथ ही कई अन्य मामलों पर विचार-विमर्श करके महत्वपूर्ण फैसले भी लिए, जो भारत

## नई दिल्ली