

FIVE YEARS AGO, when Dr Arvind Subramanian, then Chief Economic Adviser, presented his first Economic Survey (2014-15), he said, “India has reached a sweet spot—rare in the history of nations—in which it could finally be launched on a double-digit medium-term growth strategy.” He did not stay the full term of Modi 1.0 government to acknowledge that the government had failed to deliver on that promise. It was left to his successor Dr Krishnamurthy Subramanian to admit that Modi 1.0 government delivered an average GDP growth of only 7.5% over the five-year period.

A growth rate of 7.5% is satisfactory but nowhere near the target of double digit growth. Besides, the trajectory of the growth rate over the last five years was 7.4, 8.0, 8.2, 7.2 and 6.8%. Dr Subramanian must have been pleased with the rise from 7.4 to 8.2 % in the first three years but, I suspect, must have been devastated when demonetisation hit the country in November 2016. Since then, the trajectory has been a decline from 8.2 to 7.2 to 6.8%.

Modi 2.0 government has taken office when the decline has become steeper. The quarterly components of the growth rate of 2018-19 were 8.0, 7.0, 6.6 and 5.8 %. It is in this dire situation that the new CEA had set the goal of the Modi 2.0 government as: “India aims to grow into a \$5 trillion economy by 2024-25, which will make India the third largest economy in the world. Given 4% inflation as the Monetary Policy Framework specified by the Government for the Reserve Bank of India, this requires real annual growth rate in GDP of 8%.”

That is a fair target. The question before us is, how far did the maiden Budget of Ms Nirmala Sitharaman advance the goal set by the Economic Survey?

Each one of us can list a number of boxes and ask ourselves, based on the Budget statements, how many boxes has the Finance Minister (FM) ticked.

In October 2018, 13 economists of international repute, all Indians or of Indian origin, wrote 14 papers, that were published in 2019, under the title ‘What the Economy Needs Now’. Dr Abhijit Banerjee and Dr Raghuram Rajan sifted through the set of ideas and wrote an afterword listing ‘Eight top challenges India faces’. Each one of them concerns the economy, directly or indirectly. For my list of boxes, I have borrowed five ideas from the book.

Here are the boxes and why I have ticked or crossed them:

✱ **Containing Fiscal Deficit:** The Modi government has a poor record in containing the fiscal deficit. In the first five years, it was able to reduce the fiscal deficit from 4.5 to 3.4%. Actually, the fiscal deficit was stuck between 3.4 and 3.5% for four years and Budget 2019-20 promises to bring it down to 3.3%. The number for 2018-19 is suspect because of huge revenue losses and off-Budget borrowings in that year. So, the estimate of fiscal deficit for 2019-20 is also suspect.

✱ **Stressed Sectors (Agriculture, Power, Banking):** The Budget speech contains no measure to relieve the stress in the agriculture sector. On power, it simply reiterates the current scheme, UDAY, aimed at financial and operational turnaround of distribution companies. It adds ‘retirement of old and inefficient plants’ and ‘addressing low utilisation of

ACROSS THE AISLE
P Chidambaram



Why 13 economists will be unhappy



Farmers plough their field in a village. The finance minister said the government will invest widely in agriculture infrastructure, support private entrepreneurship in farm sector

gas plant capacity due to paucity of natural gas’. On banking, it promises to provide ₹70,000 crore for recapitalisation of public sector banks (that is totally insufficient) and ‘one-time six months’ partial credit guarantee’ to banks to purchase pooled assets of financially sound NBFCs (that completely misses the point about insufficient liquidity).

✱ **Better Business Environment:** There were several ideas on the table to make the business environment ‘better’. What good will it do if business did the same things in the same manner and only ‘doing’ that business became easier? Special Industrial Zones, not necessarily targeted at exports; changing labour laws, not just codifying them; allowing start-ups to start and run businesses for three years without the need to secure permissions or licences, etc, were ideas that could have been accepted.

✱ **Less Burdensome Regulation:** The best solution was massive decentralisation. To begin, school education must

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SEBI, Competition Commission of India, CBDT, CBIC, etc, have turned into controllers and the regulations have become more, not less, burdensome.

✱ **More Cash Transfers:** On this, the government has moved forward to encourage digital payments and to disincentivise large cash withdrawals. It is natural that more subsidies and cash benefits will be transferred through the Direct Benefit Transfer route. Though this ‘reform’ is seven years old, I shall tick this box.

The economy needed radical reforms of the kind undertaken in 1991-96. The government had the mandate to carry out such reforms. Inexplicably, the government has chosen to do incremental reforms. The 13 economists — all Indians or of Indian origin — will be disappointed. So will be many who were rooting for radical reforms.



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INSIDE TRACK
COOMI KAPOOR

Different times

Prime Minister Narendra Modi, who rebuked MLA Akash Vijayvargiya’s actions, should next caution all BJP politicians who assume they have the licence to throw their weight around. Last week, on Delhi’s Humayun Road, a speeding SUV with an MP sticker displayed on the windshield and a VIP number plate banged into a stationary car at the red light. Both cars were damaged and the passenger in the front car was badly shaken. But the driver of the SUV, the husband of a former MP from central Uttar Pradesh, who was also sitting in the car, did not stop to enquire about the welfare of the passenger or the extent of damage. The driver, a government official, simply sped away after first giving a mouthful to the chauffeur of the car in front, as if it was the stationary vehicle’s fault. A resident of the locality recalled an incident some four decades earlier in the same vicinity which illustrated the difference in behaviour of politicians in the old days. Swaran Singh was Defence Minister and he banged his car into a man driving a scooter. Singh rushed the driver and his wife, who were not badly injured, to a dispensary for first aid. The next day Singh sent a member of his staff to their house and asked if they would like to register a police complaint against him since he was driving the car.

Owaisi smiling

TWELVE of the Congress’s 19 Telangana MLAs have crossed over to chief minister K Chandrashekar Rao’s TRS, while one has moved to Parliament, leaving the party with six MLAs. Asaduddin Owaisi’s AIMIM, with seven, has asked for its representative to be named Leader of the Opposition. Owaisi has reason to smile. The AIMIM has long been dismissed as a city-based party with strength confined to the Muslim-dominated areas of Hyderabad. In 2014, for the first time, the AIMIM was recognised as a state party. In 2018, it won a mere 2.7% of votes to 28.4% for the Congress, but has now emerged as the No. 2 party in the Assembly. The BJP has but one seat.

Breach of preach

With Maharashtra elections around the corner, the BJP does not seem concerned with legal niceties while inducting two defunct Congress MLAs, Radhkrishna Vikhe Patil and Abdul Sattar, into Devendra Fadnavis’s Cabinet. Under Article 91 of the Constitution, ironically introduced by a BJP government in 2003, an MLA who is declared a defector

cannot be appointed a minister or hold a political post from the period of disqualification. The snag is that Assembly Speaker Haribhau Bagade is expectedly taking his own time deciding whether the two MLAs should be declared defectors.

Vaastu vetting

2, Krishna Menon Marg, which former finance minister Arun Jaitley vacated recently, is one of the larger government bungalows, but Central ministers are reluctant to move in as they consider its vastu negative. They point out that Jaitley’s numerous health problems surfaced only after he moved to the bungalow and left his private residence in South Delhi, which he occupied even when he was leader of the opposition or a minister in the Atal Bihari Vajpayee government. An earlier tenant of the bungalow, Sukh Ram, got embroiled in the telecom scam and currency notes were found in the bathroom. Mulayam Singh Yadav was also plagued with serious health issues after he moved to the address. A senior MP recalls that former Congress politician from Andhra Pradesh Kishore Chandra Deo, who had a long and distinguished political career, was a great believer in examining carefully every government house he occupied from a vastu angle before he moved in. As a young man, Deo was badly shaken by his father dying overnight of a tetanus wound received from a garage door, on the very day he received the news that he was to be made a minister in the Madras Presidency. Deo was convinced that it was the *vaastu* of the garage which led to his father’s untimely death.

Sweet offerings

Trinamool Congress MP Kalyan Banerjee presented new Lok Sabha Speaker Om Birla with a congratulatory letter and a box of *sandesh* sweets on behalf of his party leader Mamata Banerjee. Clearly, Banerjee has not ended the practice of gifting Bengali sweets to prominent BJP persons in Delhi, even after her spat with Prime Minister Narendra Modi, who disclosed publicly that the Bengal CM sent him *rasgullas*. In an informal interview with actor Akshay Kumar telecast during the elections, Modi had mentioned that despite Banerjee’s tough talk against him, she unfailingly presented him two *kurtas* and Bengali sweets every year. A furious Banerjee had countered that the next time the PM came to West Bengal, she would gift him *rasgullas* made out of soil and pebbles.

Sharp-shooting in cricket

Cricket has changed and comparing players from different eras is an exercise in futility

RINGSIDE VIEW

Shamik Chakrabarty



TO START WITH, cricketer-commentator/reporter feud is not a modern-day issue. It has been happening for ages. Even the greatest of them all, Don Bradman, had fallen out with his Australian teammate and noted cricket writer Jack Fingleton. The friction reportedly started with Fingleton and Bill O’Reilly leading a group of Australian players of Irish Catholic descent to undermine the leadership of the Don, who was a Protestant. The conflict had a carry-over effect even after the players had hung up their boots, with Fingleton pursuing a career in political commentary and cricket writing.

In early 1980s, Sunil Gavaskar and Rajan Bala weren’t on speaking terms for close to two years over an article that the late cricket correspondent had written. Gavaskar questioned the veracity of the report. In the 1990s, then India captain Mohammad Azharuddin went to the extent of calling Gavaskar “jealous”, after

the latter had criticised Azhar’s batting and captaincy, and the Indian team’s performance.

More recently, in 2012, former England opener Nick Knight ran into Kevin Pietersen after he had said: “England’s 50-over side will be slightly better for having Kevin Pietersen out because it has not been his bag.” Pietersen responded with a loose tweet—“Can somebody PLEASE tell me how Nick Knight has worked his way into the commentary box for the home Tests?? RIDICULOUS!!”—and was subsequently fined by the England and Wales Cricket Board. Knight played 17 Tests compared to Pietersen’s 104.

During the ongoing World Cup, England opener Jonny Bairstow hit back at criticisms from Pietersen and Michael Vaughan, saying: “People were waiting for us to fail. They are not willing us on to win, in many ways, they are waiting for you to get that loss, so they can jump on your throat. It’s a typical English thing to do, in every sport.”

Even the International Cricket Council’s production partner sent a letter to Michael Holding after the former West Indies fast bowler made a fair criticism of umpiring errors while commenting.



Sanjay Manjrekar became a Twitter trend following Ravindra Jadeja’s jibe at the former’s comment that described him as a ‘bits-and-pieces’ cricketer

The elongated prelude was an attempt to put things in perspective. A few days back, former India middle-order batsman-turned-commentator Sanjay Manjrekar became a Twitter trend following Ravindra Jadeja’s jibe at the former’s comment that described the Indian all-rounder as a ‘bits-and-pieces’ cricketer in shorter formats. “Still I have played twice the number of matches you

have played and I am still playing. Learn to respect people who have achieved. I have heard enough of your verbal diarrhoea. @sanjaymanjrekar,” Jadeja responded.

Like Pietersen, who had referred to Knight’s playing career, Jadeja, too, questioned Manjrekar’s playing credentials. Between 1987 and 1996, Manjrekar featured in 37 Tests and 74

ODIs, scoring 2,043 and 1,994 runs respectively. Compared to that, Jadeja so far has played 41 Tests and 151 ODIs, making 1,485 and 2,035 runs respectively. The spin-bowling allrounder also has 192 wickets in Tests and 174 scalps in the ODIs. Does it make Jadeja a better cricketer than Manjrekar?

The Mumbai batsman, late Vijay Manjrekar’s son, scored a double century in a Test match in Pakistan against a bowling attack comprising Imran Khan, Wasim Akram, Waqar Younis and Abdul Qadir. He had a century against the West Indies in Barbados. The West Indies bowling boasted of Malcolm Marshall, Curtly Ambrose, Courtney Walsh and Ian Bishop.

Cricket has changed and comparing players from different eras is an exercise in futility. Manjrekar served Indian cricket to the best of his ability. Jadeja is doing that now. From that perspective, Jadeja’s Twitter snide was below the belt. By his logic, Garry Sobers is not qualified to comment on limited-overs cricket, because the former West Indies captain, widely regarded as the ultimate cricketer, featured in only one One-Day International, scored a duck and picked a solitary wicket. As for Manjrekar, a commentator is entitled to his opinion. But he probably went a little too far by calling a player ‘bit-and-pieces’ who has two triple centuries in first-class cricket. Given that the left-hander is yet to get a game in this World Cup, Manjrekar’s comment probably added to his frustration.

The majority of modern-day players prefer to stay in a bubble. They don’t take kindly to anything that can damage their profile and commercial opportunities. Social media has given them a platform to communicate directly with their fans. The direct interaction helps them increase their fan-base as well. They no longer rely on the reporters and commentators for publicity and accordingly keep them at arm’s length.

Cricket commentary/punditry hardly throws up no-holds-barred criticism, which is prevalent in football. The Premier League footballers face the likes of Graeme Souness and Roy Keane, for example, week in and week out. Sample this: “I wouldn’t believe a word he says. There’s no meaning, no meaning behind it. I don’t even think he believed what he was saying there. He is a big problem, no doubt about it,” Keane had said about Paul Pogba only a few months ago. The former Manchester United captain even branded some of the players in the current squad as ‘bluffers’.

Wonder how the Indian cricketers would have reacted to such sharp-shooting. There had been examples in Indian cricket of commentators being removed from the panel because they were overtly critical. This in a way gags the freedom of expression. At the same time, it’s important not to offend the players. Richard Benaud criticised when criticism was due. But he did that without offending anyone.