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# Swadeshi

## PATRIKA

FEBRUARY 2020



**Budget 2020-21**

**Agriculture and Make in India  
Oriented Budget**

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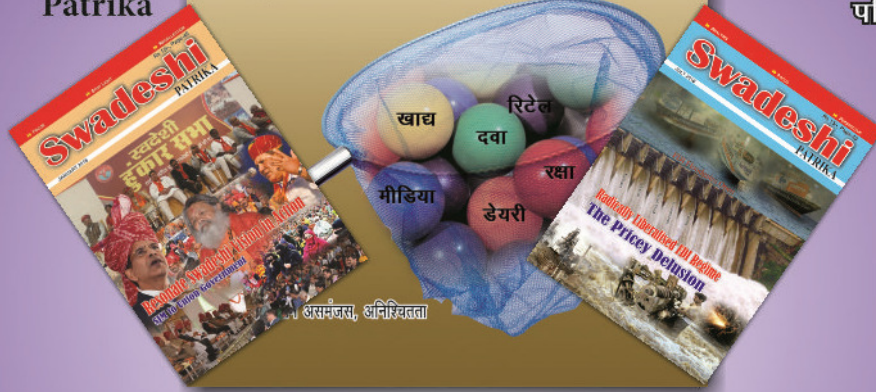
# SELF RELIANT INDIA

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Patrika

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## Crowd Logistics: An Emerging Business practice and Thoughts of Thengadi Jee

The thoughts of Thengadi Jee are seeing the lights of application in real world. Crowd logistics which is a nascent arrival in the world of business practices can be illustrated as an application of thoughts of Thengadi Jee. The foreword (*Qua Vadis*) of the book titled *Hindu Economics* authored by Dr. M. G. Bokare, is written by D. B. Thengadi Jee. Thengadi Jee stresses on the structure of ownership pattern in which the business will be financed by commoners, owned by workers, supervised by institutions, decentralized by technologists, served by experts, coordinated by planners, disciplined by parliament, assisted by state, utilized by consumers and governed by dharma. The aspects of the proposed structure are becoming reality in emerging business practices.

The digital technology has given space to crowd practices, like- crowd funding, crowd sourcing, crowd innovation and crowd logistics, to name a few. Crowd logistics is a good example to elaborate his thoughts on business practices. The crowd logistics is different from contemporary business logistics. It has components like crowd storage and crowd local delivery apart from others. The players in crowd logistics are crowd rather than firms, scale of business is low and is based on philosophy of symbiosis rather than on philosophy of consolidation, and performance are measured on qualitative scale rather than on quantitative scale. Moreover the motivation to participate in crowd logistics is multidimensional while for the firms it is just economics of profit. The players cooperate and create the value for logistics business. It mobilizes large number of individual providers who are amateur and follows ad hoc procedure and is a tradeoff with professionals who follow standardized procedure. The forecasts of Thengadi Jee are interesting to watch.

– Alok Singh, Delhi

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## Quote-Unquote



We must always remember that we are first and foremost citizens of this country, and leaders or supporters of a particular ideology thereafter. The prestige of our country should be more important than our party loyalties.

Ram Nath Kovind  
President, Bharat



We can also learn success in failures. In every endeavor, we can be enthusiastic and if you have failed in something, then it means that you are now moving towards success.

Narendra Modi  
Prime Minister, India



This general budget will contribute significantly in fulfilling the Modi government's resolve to double the income of the farmer by making available special prices for irrigation and grain storage to the Annadata farmer of the country, as well as a fair price for their produce.

Amit Shah  
Home Affairs Minister, India

## Challenge to keep treasury in balance

Budget 2020-21 was presented in the Parliament by the Finance Minister on February 1, 2020. Recently, former Finance Secretary Subhash Garg wrote a blog saying that the actual fiscal deficit for 2019-20 will be 4.7 percent compared to 3.4 percent of GDP, as given in the budget estimates. Though Budget has put this figure at 3.8 percent, but it's anybody's guess that receipts are falling short of the estimates, both direct taxes and indirect taxes. There was a shortfall of Rs. 1 lakh 70 thousand crore in the actual revenue receipts compared to the budget estimates in the previous year 2018-19 also. This decrease was equal to 11 percent of the budget estimates. Though, concerns of revenue shortfall are alarming, however the economy desperately needed a big boost from the budget, which was done but only partially by the Finance Minister.

When Narendra Modi assumed power, bringing clarity in economic policy, the first decision was to keep the fiscal deficit within limits, as per Fiscal Responsibility Budgetary Management (FRBM) Act. In the last budget of the UPA government (which was interim budget of 2014-15), the then Finance Minister P. Chidambaram proposed estimated fiscal deficit at 4.1 per cent of GDP and the revised estimates of fiscal deficit for the year 2013-14 was also shown to be less than actual. However, economic analysts of that time did realise that the estimated fiscal deficit was not real and in fact was 'fudged', and the actual deficit was much more than that. This work was done more by rigging of data and forced public sector undertakings to give dividends in advance. In such a situation, there was a challenge before the NDA government's Finance Minister Arun Jaitley to keep fiscal deficit under limits. Arun Jaitley accepted that challenge and kept that year's fiscal deficit at 4.1 per cent of GDP, in line with Chidambaram's interim budget, in the 2014-15 full budget (which was presented in July 2014). Thereafter, the NDA government steadily reduced the fiscal deficit to 3.9, 3.5, 3.2 and 3.3 percent of GDP in the years 2015-16, 2016-17, 2017-18 and 2018-19 respectively. It's notable that under UPA government, especially UPA-2, by 2011-12, the fiscal deficit had reached 5.7 per cent of GDP. The effect was that inflation reached double digits (nearly 13 per cent) in the terminal years the UPA regime. The effect of curbing the deficit was that prices started to come under control and it is seen that inflation continued to fall during the Modi era and the consumer inflation reached 3.4 percent by 2018-19. This was an encouraging sign for the economy.

Since the fear is that the fiscal discipline may get disturbed, challenge before the government would be to keep the treasury in balance and keep the fiscal deficit in limits. It is clear that due to slowdown the receipts of direct and indirect taxes is less than expected and at the same time revenue will be reduced due to reduction in the rate of corporate tax, announced recently. On the other hand, the GST recovery is also falling short of expectations, which is causing double loss to the central government. While central government's own revenue is decreasing, it also has to compensate the states for shortfall in their receipts. Significantly, in 2019-20, it will have to compensate states much more than ever before.

Today, while corporate business is growing, but corporate tax receipts are not increasing? The reason for this is that tech companies, e-commerce companies and large foreign software companies avoid paying taxes. It is well known that the retail business of the country is constantly going into the hands of big foreign e-commerce giants. Similarly, large corporate aggregators have also come in the field of travel, taxi services etc.

In fact, these companies are capturing the market and data by giving discounts on the strength of their deep pockets. This is making them to gain valuation, while in their profit and loss account; they continue to show huge losses. This means that promoters are benefiting hugely in terms of valuations of their businesses, but these companies are avoiding paying tax. Experts are constantly suggesting that such companies should be taxed by levying a minimum alternate tax based on the volume of their business. We have to understand that the government treasury has been suffering due to this for a long time. Such concern is being expressed not only in India, but all over the world. Efforts have started in this regard in The Organisation for Economic Co-operation and Development (OECD) countries and France has taken the lead in this regard. India will also have to think about this, only then will the shortfall in government revenue can be compensated.

# Agriculture and Make in India oriented budget



For some time, in the event of slowing economy, pessimistic projections of GDP, unemployment, constant decrease in government revenue; Union Budget 2020-21 was supposed to be the toughest budget of many decades. In such a situation, the responsibility of bringing vibrancy in the economy was on the shoulders of Finance Minister Nirmala Sitharaman, instilling confidence in various sections. In her more than two and a half hour long speech (which was perhaps the longest budget speech in the history of independent India), the Finance Minister touched almost all sectors and sections of the economy. Ensuring high income in the hands of people, improving incentives to invest in view of dwindling demand,

creating employment opportunities in villages, supporting manufacturing under Make in India, instilling confidence in the wealth creators were some of the major challenges before the government. The Finance Minister included almost all these aspects in her budget speech. The allegation of the opposition was that something has been said for everyone, but there is no solution in the budget about the real problems of the economy i.e. slackening demand, unemployment, village and farmer crisis, dwindling manufacturing etc. In such a situation, the budget will have to be analyzed in the same context, and examine the intent and the direction of the policies of the government described in the budget.

## Villages and farmer

For some time now the government has been reiterating its promise that by 2022 the income of the farmers would be doubled. In this regard, the government went ahead with several measures including 'Soil Health Card', crop insurance scheme, offering minimum support price (MSP) by adding 50 per cent to the cost, promotion of dairy and fisheries, irrigation schemes. Some good results were also seen, such as increase in production of pulses, oilseeds, fruits-vegetables and cereals. The Kisan Samman Nidhi of Rs 6000 annually transferred directly to farmers' bank account was also appreciated widely.

For a long time there has been a demand that there should be a 'Agriculture Budget' separately. Agriculture is a subject, which is related to many ministries including agriculture, food processing, industry, small scale industries, chemicals and many others. Therefore, it is not possible to entrust this task to any one ministry. But the extent to which farmer and farming have been extensively covered in this budget speech, the same can be considered to be a step towards agriculture budget. This is not only an indication of the government's sensitivity to farm and farming in the country, but it can also prove to be an attempt to solve agriculture related issues and problems in an integrated and holistic manner. An action plan of 16 points is mentioned in the budget is the indication. A total budget of rupees 2.83 lakh crore has been kept in the budget for agriculture and allied activities, irrigation and rural development for the year 2020-21.



*Budget 2020-21  
need to be  
analysed in  
context of intent  
and direction of  
the government  
says*

**Dr. Ashwani  
Mahajan**

In 100 water-stressed districts, irrigation schemes can provide relief to these districts. Farmers often have barren and fellow land, which doesn't contribute to their income. The government will help in setting up solar power plant on such land. Through these solar plants, farmers will also be able to sell the surplus electricity. This will also be a step towards increasing farmers' income.

Special provisions have been made in the budget for storage of agricultural products including cold storages. On the one hand there is a plan to create more warehouses in the budget, and at the same time there is a plan to bring the warehouses under the Warehouse Development and Regulatory Authority (WDRA). Warehouses under this authority issue electronic receipts, on the basis of which farmers can also take loans from banks. There is also a provision in the budget that the farmer can now get a loan based on the receipt of the warehouse. Use of technology to relieve the farmers from indebtedness can be helpful to the farmers.

In addition to these measures, doubling the milk processing capacity to 108 million metric tons, subsidizing 20 lakh farmers to install solar water pumps and directly subsidizing farmers by amending the subsidy scheme of fertilisers in order to reduce the use of chemical fertilizers. This year, the target of agricultural loans has been increased to Rs 15 lakh crore.

An ambitious plan has been made to increase fishery production to 200 lakh tons by 2022-23. For the first time, Railways have also planned to start 'Kisan Rail' to save agricultural products from waste.

### **Curbing of non-essential imports**

Previous regimes continued to be obsessed by free trade doctrine, which got manifested by signing of several free trade agreements (FTAs), including the 'ASEAN' FTA, Japan and South Korea FTAs. Not only this, the import duties were also continuously reduced and the rationale was given that this would make our industries more competitive. But the effect was that there was a flood of imports in the country and our trade deficit increased more than 30 times in the last 20 years. Recently, by walking out of the Regional Comprehensive Economic Partnership (RCEP) a yet another mega Free Trade Agreement, the government has made clear its intention that its married to the policy will of protection of its industries and not blindly follow free trade. Budget 2020-21 is to provide boost to domestic production and employment by providing protection to the country's industries by curbing imports from China, increasing import duties on a large number of products, including furniture, toys, medical devices, by invoking the 'Rule of Origin' in the FTAs. The Finance Minister has said in the budget that much progress has been made in Make in India so far. These steps of the government are in tune with Prime Minister's call for using swadeshi (indigenous) products.

### **Small scale industries and startups**

There was a demand from many circles that the provision of borrowing should be introduced through GST invoice. This demand has been accepted in the

budget. This would help resolve the issue of problems of working capital caused by locking up of huge amount of tax money of small scale industries which is stuck in GST. Apart from this, a large amount has been provisioned in the budget for the development of small and medium industries. Simultaneously, special provisions have been made to encourage startups, wherein the startup which used to get a window of first 7 years to get income tax exemption in any three years, this window has been extended to 10 years. Apart from this, an employee of the startup had to pay income tax on the shares that were allocated through 'ESOP' immediately in the same year, now this provision has been changed and now he will be taxed after 5 years or when he leaves the job, whichever is earlier. These various measures will help start ups to run their business smoothly.

### **Option of foregoing rebate on savings is no good**

The Finance Minister has said that individual tax payers will be given an option in which they will pay tax at a lower rate, provided they give up rebate on savings and other types of exemptions. It is worth mentioning that till now there was an exemption in income tax on various types of savings up to Rs 1.5 lakh plus savings in the new pension scheme of Rs 50 thousand. But if the taxpayer accepts this option and stops saving then naturally the savings in the country will get adversely affected. Significantly, the savings and investment in the country has come down for some time. This step of the government will have a negative impact on the savings culture in the country, which will not be good in the long run. □□

New Vision 2040 must for new India

## **Review high costs, why FIs lost Rs 50 lakh crore**

India has stepped into a new decade. It needs a new vision 2040 to propel the country – its politics and economics and junk the present system. At the year end, finance minister Nirmala Sitharaman unfolded the Rs 102 lakh crore NIP – national infrastructure pipeline – good effort but with limited aim. The Narendra Modi government has given a call for \$ 5 trillion economy – robust aim.

Now the nation needs to rethink how it can be made broad-based. The NDA thinks in terms of reaching the last man – antyodaya. A review is needed whether the policies are percolating to him or not or if GDP – rising or plummeting - has a meaning for him. A vision 2040 document could offer a model to the rest of the world that at present is in awe of the lone super power, the US and is forced into submission before its bullying tactics.

America is having the world's largest army for perpetuating jingoism and keeping the Asian countries in awe. On flimsy grounds it has waged wars since the attempt to subjugate Vietnam to the present destruction of the Middle East from Libya to Iran. The recent threats to Iran and killing of Gen Qasem Soleimani do not bode well for India. The US is the largest economy but it has millions in utter penury. Average American is struggling to eke out a living. It led the global sub-prime collapse. It cannot be an ideal for India. It exemplifies that large does not mean an efficient pro-people economy.

India rooted in panchsheel and ideals of sarve bahavantu sukhinah cannot emulate the US. So despite the vision of a capable army in the Vision 2020, India did not envisage a predatory army despite a rogue and belligerent neighbour in its west. Prudently it countered that with removal of Article 370 and 35A.



*Should the budgetary process be altered? Else how could 25 percent cut in department allocations, about Rs 40,000 crore, be justified in fag end of the financial year?*  
**Shivaji Sarkar**



Still a nation has to relook at why most political parties are losing vibrancy, why ideologies have failed – and if they had any strength, why violence is becoming culture in some states like West Bengal or Kerala, why different states have different economic growth pattern, why two chief ministers should speak in similar vein on the deaths of children in hospitals or why Mamata Banerjee is insensitive to Park Street rape victim or she and Pinarayi Vijayan of Kerala keep mum on political killings. Is politics getting too ghettoized?

Or is it the result of sagging economy? Should the budgetary process be altered? Else how could 25 percent cut in department allocations, about Rs 40,000 crore, be justified in fag end of the financial year?

India is conquering space but faltering in managing mundane agriculture or rising prices or profiteering motives of governments or privatizing public assets or treating private education as pariah or heaping innumerable tolls and fees or disallowing the poor through high fares, uses of rail, metro or bus.

Has not its market ideology heaped with it problems in every sector -education and health to industry to deciding its priorities?

As India progresses it has to find out whether the neo-rich getting into the portals of power are becoming insensitive. Are not they misguiding governance through trade bodies, bureaucratic functioning and making every bit of service beyond the reach of the people?

The Constitution guarantees barrier free travel. Why should atrociously high toll or fee hinder it? The roads are built on public land. It needs to be explained how a private body can be given its za-

***India is conquering space but faltering in managing mundane agriculture or rising prices.***

mindari. A villager or a farmer travelling across the tolls are levied an unnecessary cost.

The Vision needs to find out how it is making living expensive and increasing prices - that too after multiple tolls, cess and road taxes. Education cess is not making education affordable.

The NIP has yet to look into why a new parliament building or central vista is needed instead of pride in continuity in a heritage building. Or why road allocations are made for the same set of roads – in the name of refurbishing, re-designing or and adding lanes.

The people want a white paper on IL&FS collapse after doling out Rs 91000 crore to the toll roads and not getting repayment despite toll collections. It is essential for preventing a new proposed central funding body meeting the same fate. More power 619 GW is to be produced. Why? The country is unable to utilize 356 GW present production and power tariffs are bleeding every sector.

For the sake of private, Air India was annihilated, MTNL-BSNL is sent to sick bed, hosts of other sold to competitors, bank coffers are opened up. It has led to enormous losses to public financial institutions – UTI (losing Rs 64,000 crore shut), LIC, GIC and almost all banks. These have lost about Rs 50 lakh crore since

1992 Harshad Mehta scam. Still the private sector is dependent on the government.

**Is it not slowing down the economy?**

More so, wages are not keeping pace with the rising prices. The price indices have been modified in 2011 so as to reflect reduced impact of the rises. Even the modified index reflects 19.5 percent inflation, may be actually 30 percent as per the old matrix. India is becoming expensive for its residents whose income is low and being eroded by high 42 percent income-tax (I-T) and plethora of indirect taxes estimated at 40 percent, including profession tax in many states, despite GST.

Yes, an Indian pays over 70 percent in taxes. Innovative bureaucrats despite that go on increasing the prices of fuel, rail fares, bus fares, freight and consequently jacking up prices of commodities. It is affecting nutrition, as people are unable to take proper meals, consumption and GDP growth.

The bankisation of the society has created new middle men in payment portals. It has made dealings expensive. The note-ban alone turned at least 15 percent more black money. The people of West, Australia and Japan are protesting to come out of the clutches of banks.

**Why should not India go back to no-cost cash transaction?**

The list is long. Wider review of the past's follies and road map for the future has to be drawn. For the new vision, the country has to review its past mistakes so that the future generation does not have to go through the same trials and tribulations as this one has encountered. □□

# Budget: The Challenge of Creating Demand

The Reserve Bank has reduced the interest rates many times in the last two years in the hope that it will prompt businesses to borrow and invest. To no avail. The NDA Government has continually reduced the fiscal deficit of the Government from 4.1 percent in 2015 to 3.4 percent today in the hope that it will encourage domestic and foreign businesses to invest. To no avail. The International Monetary Fund and Federation of Indian Chambers of Commerce and Industry have applauded the Government on this front and advised holding on to the policy. The Government has cut the Corporate Income Tax payable by large companies in the hope that they will make investments. To no avail. The failure of above three measures is due to the absence of demand in the market. Businesses invest only if there is demand in the market. Low interest rates, low fiscal deficit and low taxes have all thus been to no avail.

Now demand is being made that a one-time window to resolve tax disputes and to convert black money into white may be opened in the budget. Such a measure could possibly generate some revenue. But, even if successful, it will only generate revenue for the Government. It will not create private demand—which is required to set in motion the fortuitous cycle of investment and consumption.

The coming year will be even more difficult for three reasons. The global economy can get affected by flaring up of the trade war between the United States and China. The tensions between the United States and Iran could take the form of a war. Both these eventualities will lead to an increase in the price of oil as has taken place in the last week. Our exports will also get affected. The second cause of concern is that of natural disasters as seen in the floods across the coun-



*An increase in fiscal deficit can be utilized in making infrastructure and it would help the common man compete with bigger entities leading to private demand and revival of economy.*

**Dr. Bharat Jhunjhunwala**



try last year; and fires in Australia. Third, we face the social challenge of keeping the youth involved productively. The recent conflagration on the Citizenship Amendment Act was, in part, fuelled by the unemployment of the youth. They have nothing else to do, hence, why not CAA?

The fundamental challenge of the Budget is to create demand in the economy and jobs for our youth. The Government's policy option have, however, exhausted. Lower interest rates, lower fiscal deficit and lower tax rates are all to no avail.

A section of economists including myself have been urging the Government to jettison the mantra of controlling fiscal deficit and borrow and invest—especially in infrastructure. However, it is not necessary that every infrastructural spending will help. Every spending will certainly create demand for cement and steel and labour in the market. But the indirect effects can be either negative or positive depending upon the type of infrastructure invested in. Allow me to explain this with four examples. First example. Let us say the Government increased expenditures on a highway and erected fencing on the sides. Government demand for cement, steel and labour will increase. Some indirect benefit will also accrue in lower cost of transport. However, such investment will make it more difficult for the common man to enter the highway and to reach his produce to the city. His business will suffer. The indirect impact on private demand will be negative. In the alternative investment in rural roads will also generate private demand.

Second example. Let us say the Government invested in a waterway to reach large barges from Haldia to Varanasi. We will incur less cost in the transportation of imported coal. However, such will lead to more difficulty for the small boatmen to ply their boats and also take away the livelihoods of the fishermen. In the alternative, investment made in jetties for small boats will make it easier for the small boatmen and fishermen to make a living. Third example. Let us say the Government made investment in a large hydropower project. Such will lead to loss of sand and fishing and grazing in the forest, and more problems of landslide and health. Private demand will decline. In the alternative, investment made in roof top solar panels would generate electricity but also put more money in the hands of the common man. Fourth example. Let us say the Government cut the forests to make a highway. It will reduce the cost of transport but also deprive the forest dwellers of leaves, minor timber produce and hunting. In the alternative, investment in agro-forestry scheme will also create demand from the common man.

The issue, therefore, is not that investments in infrastructure should be made. The issue is on which infrastructure is the investment made? If the Government borrows and allows an increase in fiscal deficit and uses that money to make infrastructure that helps the common man compete with the big companies, then it will increase private demand and the economy could revive. The nature of fiscal deficit is more important than a mere increase in the fiscal deficit.

The second source of funds

for increased investment in common man's infrastructure could be a containment of government consumption. The increase in private consumption in the second quarter of the current year has declined to 7.8 percent from 14.4 percent in the same quarter last year. The Government consumption, however, continues to increase at about 16 percent. This means that private consumption is declining while government consumption continues merrily. The Government can freeze the pensions, salaries, DA and benefits of government employees so that the money saved can be used for increased investment in infrastructure.

The third source of funds that the Government must tap is to privatize, not merely disinvest, the Public Sector Banks and all Public Sector Enterprises except those in critical areas—whether profit- or loss making. This will generate funds for investment and also increase efficiency in these enterprises and help in growth. I reckon that rupees three lakh crores can be generated from the privatization of the banks alone. The Government will also save the money it is having to plow into these banks and undertakings like Air India every year to keep them afloat.

Another area where the Government must increase investments is in online education and the internet so that the youth can self-employ themselves in productive works like undertaking translations, providing online tuitions and making music. Otherwise they will come to the streets like has happened with the CAA and the asset that is our youth will become a liability. □□

*Formerly Professor of Economics at IIM Bengaluru*

# Take responsibility



It is a chilly January morning and with the clock showing 5.30 am, Delhi is still dark and the Air Quality Index (AQI) is still severely poor. Sunlight finds it hard to penetrate a thick blanket of life-threatening smog. Visibility is under a metre and our vision for a greener Earth and cleaner Delhi and National Capital Region (Delhi-NCR) is marred by propaganda of industry lobbyists from the automobile to the hydrocarbon sector.

Stubble doesn't burn in the neighbouring States of Uttar Pradesh (UP), Haryana and Punjab at this time of the year, yet Delhi-NCR chokes and shivers. The demagogues who wanted to punish farmers lie exposed as the night dew drenches our homes and loved ones

with fresh toxic vapour residues. Neither the stubble burning nor the pollution stopped but instead more tractors and happy seeders were sold through Government-supported programmes, effectively increasing consumption of fossil fuels and profits of tractor makers.

We, as a society, made many environmental blunders this year and each of them was made intentionally.

**Cars not farmers have darkened Delhi-NCR's skies:** Although the annual stubble burning by farmers is an episodic source of pollution, social media and opinion makers left no stone unturned to berate farmers for choking Delhi-NCR and darkening our skies. They effectively deflected attention from more serious polluters — cars and construction activities.

As we continue to asphyxiate long after the crop residue burning season is over, the truth is out. Cars are the major source of pollution. But the lobbyists don't care for the real pollution. When India buys lesser cars, they term it as bad economic growth. And what does the Government do? The Odd-Even vehicle rationing scheme of the Arvind Kejriwal-led Delhi Government did well to keep a few cars off the Capital's roads but this was not a permanent solution.

The expansion of the metro system is a great step forward but we need to do much more. We have to restrict taxis in the city and also heavily tax new car purchases in the Delhi-NCR region, just the way progressive places like Singapore have done in order to bring down their pollution levels. But a larger problem looms unaddressed — Delhi's darkened Sun. If you fly into the Capital on a sunny day, it's hard to miss the thick smog enveloping the city even at 20,000 feet. The smog is making it harder for pure sunlight to reach us. It is harmful for us and our plants as sunlight is refracted off smog particles.

However, just taxing cars won't be enough. We need to create an alternative, carbon-free and safe transportation system. There is a need to look at cities like Copenhagen and so on and incentivise cyclists by building separate cycle tracks and infrastructure so more people can be linked to the metro system in a few pedals from work or home.



*It is time that we took some responsibility for our actions and impact on the environment and stopped waiting for the Government to do something.*

**Indra Shekhar Singh**

Currently Delhi doesn't even have one dedicated corridor for cyclists, although Delhi has hundreds of thousands who use the cycle everyday to work or for chores. The policymakers should understand there is a stark difference in cycling to Parliament and cycling in areas like Haus Khas. You could be dead in the latter location if you're not extra cautious. This needs to change and the more we pedal, the faster it will come. This is the first positive step we all can take this New Year. Ditch the car, try a cycle, even if once a week, for what is at stake is not just our air, it's our sunshine.

Plastic Satyagraha – Refuse, reduce and reuse: While the Narendra Modi Government's move to ban single use plastic is commendable, the root of the problem is not extirpated. The problem of plastic is entwined with the profits of the petrochemical industry and I doubt there will be any decrease in profits or production of plastic in its various forms unless the demand plummets.

As plastic doesn't only come in single use form, but in myriad forms starting from the phones to clothes to the toothbrush, comb and food packaging material. The irony, despite the ban on plastic, our landfills are filled with more of the material than ever before. Plastic producing giants like Coca-Cola and PepsiCo continue to pump plastics into the country through their bottles and packaging materials. It's about time the Modi Government took a bolder step based on the "polluter pays principle" and make these corporations liable for our overflowing landfills and contaminated ground water. India needs to tax them while at the same time ban plastic

packaging. The food laws need to be re-imagined to curb the menace of micro-plastics in our food and water that are not just harming our health and the health of our children but are also hurting hapless animals who have no role to play in the huge environmental mess that we humans have created.

We need a holistic consumer centric solution. For each person, we need to first follow a three-step principle, a "Plastic Satyagraha," — refuse, reduce and reuse. We can refuse each time we are given plastics. One simple way is tearing off all the packaging material at the shop you buy it from. Carry minimal or no plastic home. Next would be to reduce the use of plastic, or at least try and replace each plastic item you use with some natural alternative and last try and reuse the plastic you have.

If we don't act now the "trash mountains of Delhi" will be higher than the historic and iconic Qutub Minar soon.

Don't buy it, try and grow it: Delhi is the top destination for thousands of trucks each day carrying different types of fruits, vegetables and so on. Whether it is the Azadpur Mandi or other smaller wholesale vegetable markets, the transportation of food for Delhiites has a heavy carbon footprint. If you look closer, the whole system of production that gets food to Delhi is extremely degrading.

From the growing stage, our food is dozed with chemicals and then sometimes kept in cold storage and finally trucked to a wholesale vegetable market near you. Try and imagine each step and the kind of pollution each stage causes.

Social media has ample videos showcasing adulterations in our

food. But this is a necessary evil, as Delhi, much like other cities, cannot be self-sufficient in food supply and we need to depend on villages and the trucks to send food to the city. But, nevertheless, we can ease this burden and reduce our dependency on food grown outside the city.

Change is coming to Delhi as urban gardening is proliferating around the national Capital. City dwellers are leasing land collectively around Gurugram and spending their weekends working on the farms and helping grow their own vegetables.

Rooftop gardening is another activity which finds much resonance with young professionals in Indian cities. But to make this into a large movement the municipal bodies or city administration can step in and help convert some parts of public parks as organic horticulture zones. These zones will become carbon sinks and also attract local residents to pay the city to grow their own vegetables and herbs. This encourages public participation and also gives a chance for urbanites to learn about horticulture. As a big bonus this may also generate additional revenue for the municipal bodies.

This 2020, no matter if you live in Delhi or Chennai, try your hand at gardening. It doesn't matter if you grow a herb or a pumpkin, the trick is don't buy everything, try growing something this year. This is the only way we will reduce our carbon footprint and give future generations a fighting chance at survival. It is time that we took some responsibility for our actions and impact on the environment and stopped waiting for the Government to do something. □□

(The writer is Programme Director for Policy and Outreach at the National Seed Association of India)  
<https://www.dailypioneer.com/2020/columnists/take-responsibility.html>

## Back to the public sector?

Implementing a recent announcement, the Ministry of Finance released the National Infrastructure Pipeline Report (NIP). The exercise is similar to that undertaken in the now discarded Five-year and Annual Plans: List projects under implementation/development/conceptualisation, specify which of these are to be implemented by the central and state governments and by the private sector, and specify financing targets. But unlike in a Plan, the NIP exercise is a standalone one, since there is no macroeconomic and fiscal framework within which it is nested. It also has no relationship with the medium-term “strategies” produced by the NITI Aayog from time to time, possibly because these are too general to be of operational use.

Of the Rs 102 trillion to be deployed through to FY25, 78 per cent is to be mobilised by the public sector and 22 per cent by the private sector. This is a Nehruvian aspiration and a quiet admission that the private sector is unlikely, given past experiences, to be a dominant player in the infrastructure space. Other than renewable energy and, to some extent, roads and airports, the private sector is a minor player. In agriculture, health, education, rural and urban infrastructure, and irrigation, the private sector has no role at all. In substantial measure, India’s infrastructure aspirations are to be delivered by the governments of India. This is a major policy reversal from the heydays of public-private partnerships, and possibly a realistic one.

Currently, 42 per cent of the NIP consists of projects already under implementation, but there is high variance by sector— 100 per cent for atomic energy, 60 per cent for railways, 34 per cent for irrigation, 8 per cent for agri-



*Of the Rs 102 trillion to be deployed through to FY25, 78 per cent is to be mobilised by the public sector and 22 per cent by the private sector.*

**Rathin Roy**



culture, 3 per cent for renewable energy. This is worrying given that investments are front-loaded with 53 per cent of the investment to happen by FY 2022. Thus, India's infrastructure aspirations are dependent on the ability of the government to immediately execute investments at a far higher level of timeliness and efficiency than is presently the case.

I was hoping this would be addressed in the section on reforms, but many of the action points listed are simply homilies with sentences beginning with "it is critical to have..." and "we need to establish..." without specifying when and how these critical things will be part of the strategic framework. There are welcome concrete proposals on optimal risk-sharing, contract enforcement and dispute resolution, revitalising the credit and bond markets, and asset monetisation, but implementation challenges are not addressed. The project monitoring framework is very general with a vague promise of a forthcoming "governance framework for monitoring".

This is disappointing, given the poor track record of government implementation (which was the reason, in the first place, for the emphasis on the private sector over the past 20 years). How these rapid efficiency and punctuality improvements are going to be secured by the public sector, should be immediately made explicit in a companion white paper, if the NIP is to be taken seriously. In this context, it is reassuring that it is intended, as I understand, to make a list of project proposals available shortly. If these issues are addressed, at least at the project level, then that would be an improve-



***There are welcome concrete proposals on optimal risk-sharing, contract enforcement and dispute resolution, revitalising the credit and bond markets, and asset monetisation.***

ment over the present, and it would help the cause if this project level documentation is quickly placed in the public domain for wider analytical scrutiny.

The weakest sections of our Five-year Plans were on financing, because resource envelopes were designed to fit plan aspirations and not the other way round. This seems true of the NIP as well. There is no fiscal picture of how the states and the private sector will finance their part of the NIP. There is one slide on financing for the Centre and this has many problems, which commentators have already begun highlighting, such as the rationale behind the assumed gross domestic product (GDP) growth rates, and the reasoning behind the forecasted fivefold increase over FY 20 in incremental budgetary support through to FY 25. These underlying assumptions can be interpreted to be fairly reasonable depending on the medium-term macroeconomic outlook and the Centre's fiscal stance.

The trouble is precisely that no entity in the central government delivers a medium-term macroeconomic outlook or a medium-term fiscal framework that explicates these things. Therefore, the assumptions in the NIP

are opaque and thrown open to questions as the basic medium-term analytical machinery that every functional finance ministry should possess is not available to the Government of India. Thus, even though these numbers could be plausible when nested in a medium-term framework, the GDP estimates and the budgetary support numbers appear to be plucked from thin air. It is my fervent hope that this will not be compounded in the forthcoming Budget, which should explicitly and plausibly link this NIP with the fiscal numbers presented.

The NIP is a laudable initiative. But as presented, it is far from being either a strategy or a demonstrable attempt to address poor performance in the infrastructure space. In this sense, it is in continuity with the tradition of indicative planning whose time, I thought, was over. And as in that methodology, the weakest link is the specification of the public financing challenges. A lot of groundwork and hard analytics are needed to establish the credibility of the NIP with stakeholders in the Indian economy. □□

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<https://www.nipfp.org.in/blog/2020/01/03/back-public-sector/>*

We are moving to an era of unpredictability.

## A new Middle Powers coalition may be needed



An important foreign policy initiative that the external affairs minister, S Jaishankar, took as foreign secretary was to launch the annual Raisina Dialogue, a conclave of foreign policymakers and analysts from around the world. The two questions that would be uppermost on the mind of most foreign delegates to the conference would have little to do with the external affairs minister's remit. These would be the medium term prospects for the Indian economy and restoration

of normalcy in Jammu and Kashmir and, given widespread student protests, in the rest of the country.

As is now widely accepted, the "Rising India" narrative scripted over the two post-Cold War decades, 1991 to 2011, was based on the improving performance of the economy and India's political ability to deal with many longstanding diplomatic challenges within a paradigm of realism. Three successive prime ministers — PV Narasimha Rao, Atal Bihari Vajpayee and Manmohan Singh — scripted the narrative of India rising as a plural, secular democracy, as opposed to China's rise within an authoritarian system.

India's improving economic performance had opened up new vistas for cooperation with major powers and neighbours. Now the economy's subdued performance and domestic political issues have created new challenges for Indian foreign policy. To add to these external concerns, the new approach to relations with India adopted by both President Donald Trump and President Xi Jinping has created a more challenging external environment. What, then, are the prospects for 2020?

Through most of this year, President Donald Trump will remain pre-occupied with his re-election. On the economic side, he is unlikely to resolve all bilateral differences on trade policy. Each time New Delhi has tried to meet a US demand, Washington DC has come up with new demands. Moreover, any resolution of his differences with China, even if short-term and aimed at pleasing domestic consumers before elections, can only reduce whatever little bargaining clout India has. The US has, in fact, actively lodged complaints against India at the World Trade Organisation. On the geopolitical side, US intervention in West Asia has always imposed additional economic burden on India and we must remain prepared for more such initiatives that may not be reassuring for the Indian economy.

There has been continuity and consistency in India-China policy over the past



*There is a view among some policy analysts at home that India too can adopt a "disruptive" approach as a clever tactic in foreign affairs. This is an illusion. Disruption is not an end in itself. It has to be a means to an end. Powerful nations can afford disruption as tactics.*

**Sanjaya Baru**

two decades, with some ups and downs, but as the bilateral power differential widens, China has little incentive or compulsion to be accommodative of Indian concerns, much less interests. Xi's China never fails to remind India of the growing power differential between the two. In dealing with China, India will have to, paraphrasing Deng Xiaoping, "build its strength and bide its time." Russia, the other major power, will remain focused on Eurasian geopolitics and the geo-economics of energy. Both these factors define Russia's relations with China, and increasingly, with Pakistan, posing a challenge for India.

The government's Pakistan policy has run its course. It yielded some short-term results thanks to Pakistan's efforts not to get "black-listed" by the Financial Action Task Force, but the fact is that the rest of the world is happily doing business with Pakistan, lending billions in aid. The global community may increasingly accept future pleas from Pakistan that terror attacks in India are home-grown, related to the situation in Kashmir or concerns about the welfare of Muslims, unless incontrovertible evidence to the contrary is offered. India needs a new Pakistan policy. Back channel talks should be resumed and visas given liberally to Pakistani intellectuals, media and entertainers to improve cross-border perceptions as a first step towards improving relations.

If much progress cannot be expected this year in relations with Trump's America and Xi's China, then which countries should engage the attention of the external affairs minister? There is a category of nations that share India's concerns

***A coalition of "Middle Powers" such as Germany, France, Japan, Australia, Brazil ... Russia, South Africa, a mix of developed and developing economies may be the need of the year.***

about the direction that Trump and Xi have been taking, especially in trade policy and West Asian geopolitics. Like India, these countries have a stake in what the US and China do, but little influence over either.

These are the world's "Middle Powers" — Germany, France, Japan, Australia, Brazil, Indonesia, Vietnam and perhaps South Korea. One could include Russia, Nigeria and South Africa also in this group. It is a mix of developed and developing economies, some friends of the US and others friends of China. It is an amorphous group but can emerge into a grouping of the like-minded in a world of uncertainty capable of taming both the US and China. A new Middle Powers coalition may be the need of the year.

At home, a "New India" script is being written in a period of domestic and global uncertainty that has already influenced global perceptions about India. We are moving from an era of predictability to an era of unpredictability at home and abroad. Fresh doubts are being raised about In-

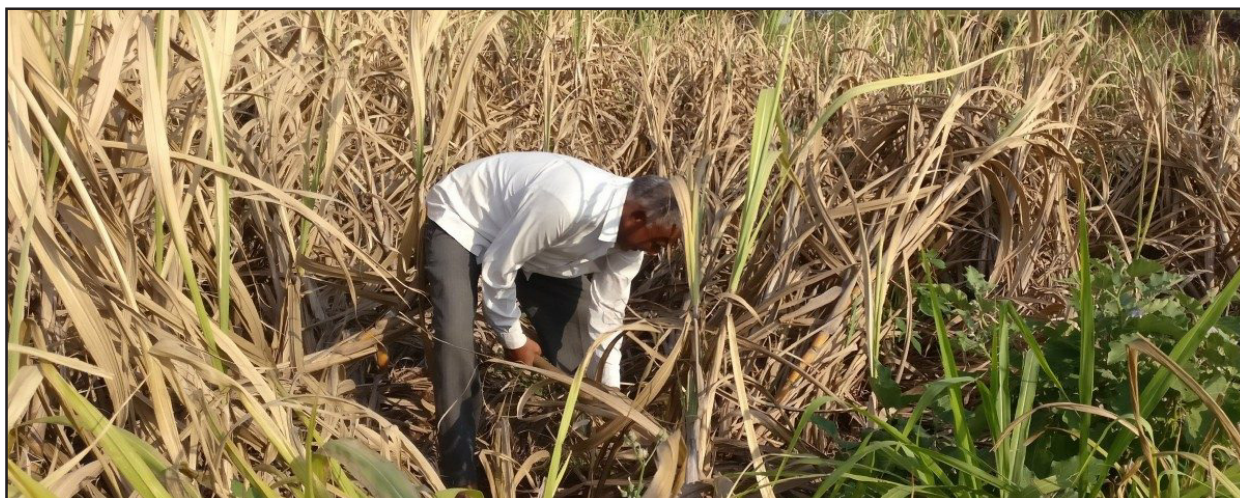
dia's place in the world in the 21st century — its economic significance, its political standing and its ideological moorings.

An economic turnaround and restoration of domestic political equilibrium will widen the space for foreign policy initiatives. Persistent economic uncertainty and radically disruptive politics at home will mean that the external affairs minister can at best conduct a holding operation, ensuring that the external environment does not also deteriorate.

There is a view among some policy analysts at home that India too can adopt a "disruptive" approach as a clever tactic in foreign affairs. This is an illusion. Disruption is not an end in itself. It has to be a means to an end. Powerful nations can afford disruption as tactics. However, given that the strategic elements defining Indian foreign policy in the post-Cold War era have not changed, India cannot risk such tactics without measuring the risk they pose to strategy.

Merely because domestic politics has changed, we cannot afford to be adventurous in foreign policy. The principal question for policymakers is: Has a proper risk assessment been undertaken with respect to the external consequences of domestic policy initiatives? The US may be able to pursue policies at home and abroad without adequate measurement of risk. But India has to assess external economic and geopolitical risk carefully and improve the quality of the external communication of her national interests and personality. □□

This article first appeared in the print edition on January 14, 2020 under the title "The world from Raisina". The writer is a policy analyst and former media advisor to prime minister of India. <https://indianexpress.com/article/opinion/columns/india-foreign-policy-raisina-dialogue-sjaishankar-external-affairs-minister-6214983/>



## Bolsonaro, 2020 R-Day Chief Guest, Is Making Life Harder for India's Sugarcane Farmers



*Brazil has complained to the WTO about the domestic support measures as well as export subsidies being provided by India for sugarcane and sugar. Unfair global trade rules makes this dangerous for India's farmers.*

**Kavitha Kuruganti**

**Jair Bolsonaro** is India's Republic Day chief guest for 2020. He has been described variedly as a bigot, homophobic, authoritarian, xenophobic, militaristic, racist, 'exterminator of the future', misogynist and so on. Many citizen groups are questioning the decision by the Union government to invite him as our chief guest.

The controversy around Bolsonaro does not end there. What has not been discussed enough is that he and Brazil have turned out to be a direct threat to more than five crore farming families in India who grow sugarcane. This is not about the Brazilian president's policies for his own country, but what he is jeopardising here in India. Brazil had dragged India to the World Trade Organisation's (WTO's) dispute settlement body, contending that India's commitments to some binding rules in the WTO have been violated.

Unjust rules created when the WTO was established provide space for such complaints to be lodged. If the dispute panel upholds the complaint of Brazil (and other countries which have joined subsequently), Indian sugarcane producers' future looks bleak.

Indian farmers are feeling indignant that by inviting Bolsonaro as the chief guest, the Indian government appears to be giving a message to them that their lives and livelihoods do not matter much for the government. The Indian Coordination Committee of Farmers' Movements (ICCFM) has given a call to farmers to protest the injustice in the WTO, the threat to our farmers' livelihoods and the invitation by the Indian government to Bolsonaro.

### The sugarcane dispute

India is the world's second largest sugarcane producer, but is also the world's largest sugar consumer. Around five crore farm families, mostly small and mar-

ginal, are involved in sugarcane production in the country. Sugarcane farmers are also mired in a deep crisis, with unpaid dues from sugar mills to the farmers touching around Rs 20,000 crore at their peak. Latest data shows the dues at about Rs 4,500 crore at the moment.

Brazil, on the other hand, is the world's largest sugarcane and sugar producer as well as the largest exporter. Brazil accounts for about 45% of the global sugar exports usually (it was 29% in 2018). Brazil, Australia and Guatemala export 70-75% of their sugarcane production and together have a 53-55% share in the global sugar market. India, on the other hand hovers between 1-4% of the export market.

In February 2019, Brazil raised questions on the domestic support measures as well as export subsidies being provided by India for sugarcane and sugar, and contended that these measures were inconsistent with WTO rules and articles. A formal complaint was later lodged with the Dispute Settlement Body of the WTO by Brazil, joined later by Guatemala, Costa Rica, Australia, the European Union, Thailand and others.

Brazil's contention is that India increased its Fair and Remunerative Price (FRP) for sugarcane from Rs 1,391.20 per tonne in 2010-11 to Rs 2,750 per tonne in 2018-19. State Advised Price (SAP), which is an additional support, was also questioned. Brazil pointed out that the Minimum Indicative Export Quota (MIEQ) fixed for sugar mills was increased from two million tonnes in 2017-18 to five million tonnes in 2018-19, leading to pressure on global

***Contrary to allegations of excessive support, Indian sugarcane farmers are reeling under a crisis and many farmers who have committed suicides were into sugarcane cultivation.***

sugar prices.

Brazil et al are basically arguing that the domestic support is in excess of India's de minimis entitlement of 10% of value of production as per the Agreement on Agriculture, that the support being extended by the government is inconsistent with provisions of the Agreement on Subsidies and Countervailing Measures too, that these are prohibited subsidies and that India is failing to notify the subsidies being provided.

The reality is different, however.

Firstly, the Indian government neither procures nor pays FRP directly. There are only 43 public sector sugar mills out of the 732 mills in India. It is only an indicative floor price announced to protect farmers from exploitation by sugar mills, which mills are supposed to pay the supplier-farmers.

Secondly, while calculating Market Price Support (MPS) in the WTO regime, the external reference price (ERP) used to this day is that of 1986-88, without building in for inflation. The ERP was

fixed at Rs 156.16 per tonne, which is being compared with current FRPs. If inflation is built in, the deflated SMP/FRP is actually only around Rs 290.88/tonne, and not Rs 2,750/tonne which is being used to challenge India.

Thirdly, during the base period of 1986-88, India was providing 'Amber Box' support (that support which in WTO terminology is considered to be trade-distorting) that was below the de minimis level and was therefore not entitled for Aggregate Measure of Support (AMS), which is capped at zero. This essentially means that India has been bound by an unfair rule of an unequal playing field created at the time of establishment of WTO.

Fourthly, in MPS calculations, countries like Australia have used total production of sugarcane in India as "eligible production" and claimed that our domestic support was 99.8% of value of production. Once again, the fact that the government does not pay the farmers any FRP has been ignored. In this entire discussion, it is worth noting that sugarcane itself is a non-tradable commodity in the international market.

Meanwhile, contrary to allegations of excessive support, Indian sugarcane farmers are reeling under a crisis and many farmers who have committed suicides were into sugarcane cultivation. If Brazil et al win their case in the WTO, India would have to dismantle its FRP announcement policy for its farmers, which will affect sugarcane production and lead to imports from elsewhere. It is clear that Brazil, Australia, Guatemala etc., are trying to capture our market for themselves.

**Injustice of WTO**

The injustice of the rigged rules of WTO will become apparent if seen in the context of what other countries are able to do, seemingly in compliance with rules laid therein. For example, a developed country like the US provides product-specific support to a tune of 64.4% of the value of production (2016 figures) which is not to be questioned, given its AMS entitlements at the time of WTO establishment.

It is not just with regard to sugarcane that the WTO regime has been unfair to the needs of farmers in India and elsewhere.

Rich countries continue to have huge subsidies provided to their farmers by classifying these under Green or Blue Boxes. Any talk of reduction of domestic support in the developed world has been scuttled time and time again.

The input subsidies that Indian farmers receive are nominal and even this is under threat now from WTO discussions. The peace clause obtained on the food stockpiling issue by India is not effective and we have not been able to get a permanent solution on this matter.

The fate of the vast majority of our producers' lives and livelihoods, given the ongoing disputes and precarious situation related to paddy, wheat, sugarcane and pulses, are now to be decided in the WTO regime. This is simply not fair, given the affirmative space clearly needed for our farmers' livelihood security, and for our nation's food security and sovereignty.

While the Indian government is putting up its defence in these contended areas as best as it can, it is time to overhaul the entire multilateral trade regime that got built

on rigged rules to favour certain countries and businesses. It is simply not fair that not only do our farmers have to contend with subsidised dumped produce from elsewhere, but also face threats of withdrawal of existing meagre support from our government.

Given the unprecedented stance taken by the Indian government when it withdrew from the Regional Comprehensive Economic Partnership negotiations recently, it is not too much to expect that India will take a lead in addressing unfair trade through the WTO regime too. It is also time that the Indian government clarified to our farmers what its message was to them when it made Bolsonaro the chief guest of 2020 Republic Day Celebrations. □□

Kavitha Kuruganti is associated with the Alliance for Sustainable & Holistic Agriculture (ASHA-Kisan Swaraj network) and can be contacted at kavitakuruganti@gmail.com. <https://thewire.in/trade/jair-bolsonaro-republic-day-sugarcane-wto>

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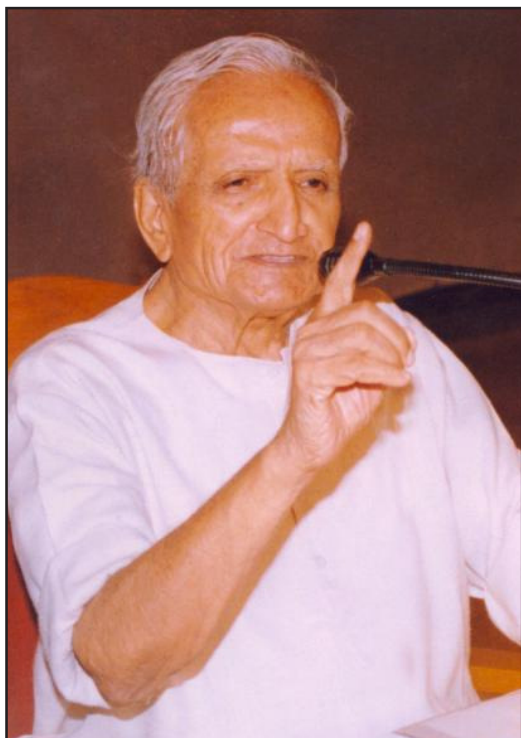
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# Economic Thoughts of Dattopant Thengadi

## Introduction

Dattopant Thengadi was a holistic thinker and a visionary social architect. He was the prominent Rashtriya Swayamsevak Sangh ideologue after Shri Guruji and Deendayal Upadhyay. Dattopant's comprehensive grasp of RSS vision helped him explain many concepts by Dr Hedgewar, Shri Guruji and Deendayalji and with his practical approach he gave a new dimension to such enunciations like '*Sangh and Samaj are Samanyapt*', '*progressive unfoldment of the vision of Sangh work*', '*Sangh will not do anything but whatever is essential will eventually happen*', '*Not building a new nation but rebuilding of the nation*', '*not a (violent) revolution but yuganukool parivartan*'.

He emphasized holistic thinking and presented economic thoughts in this perspective. Beginning with the need to define the policies of Bharatiya Mazdoor Sangh he ultimately wrote on the global economic policies. He thoroughly studied hundreds of Bharatiya and foreign books on various subjects such as philosophy, history, political science, economics, management, revolutions etc. in his busy schedule of an itinerant *pracharak*. He firmly believed that the basic Hindu *darshan* –philosophy and life-view - is comprehensive enough and stressed that only by retaining its root principles and a *yuganukool* or practical implementation of these eternal principles coupled with conducive knowledge - not just from the West but from all over the world - the task of nation- rebuilding can be carried out. He articulated this idea through his writings.

He emphasized that Ekatma Manav Darshan (Integral Humanism)<sup>1</sup>—a *yuganukool* approach based on the eternal principles of *Sanatan Dharma* must be the basic national philosophy for rebuilding the nation and our policies in various fields of national life should be formulated in its light.

## Some Fundamental Concepts

Before elucidating on economic thoughts of Dattopant Thengadi, it will be appropriate to glance through some fundamental concepts emphasized by him.

1. Bharat, with Sanatana Dharma as its absolute reference, 'All is One' as its ultimate realisation and its continuously evolving socio-economic order in the light of the unchanging, eternal, universal principles, is eminently suited to play the role of *Jagadguru*.<sup>2</sup>
2. The destination was visualised on the Vijayadashami day of 1925:
  - Our destination<sup>3</sup>is the '*Param Vdibhavam*', the pinnacle of glory, of the Hindu Rashtra.
  - The starting-point of the journey is the commitment to certain Articles of Faith like One People (*Jana*), i.e. Hindu; One Culture (*Sanskriti*), i.e. Hindu; One Nation (*Rashtra*), i.e. Hindu; One Country (*Desha*), i.e. *AkbandaBharat*; One Order (*Vyavastha*), i.e. *Dharma-Rajya* (*not a theocratic state but based on values for*



*Dattopant Thengadi, a very well-read philosopher and inspired by the ideas of Dr. Hedgewar integrated Western Economic thoughts with those of Hindu India and gave vision on global economic policies.*  
**Ravindra Mahajan**

*social sustenance)*

3. The integral approach<sup>4</sup> is a must for durable and desirable progress and development; the compartmentalised thinking, giving rise to value-free economics, is self-defeating.
4. He emphasized the Hindu thought process. “We should keep in mind that the fundamental thought process should be our basis. Once the hypothetical philosophical and academic order is established the corresponding social reality can follow automatically –this is the western thought process. Observing and understanding the phenomenon in social reality and eventual development of conclusions and theories— is the Hindu thought process. For this collective thinking is also essential.”<sup>5</sup>
5. Regarding standing on the firm base of history but without getting trapped into it and daring to look into and create future he says “The Hindu nationalists know for sure that history without futurology would be fruitless, while futurology without history would be rootless. Our heritage enables us to be cautious without being conservative and dynamic without being adventurist.”<sup>6</sup>
6. He reiterated the need for the integral order anticipated by Hindu way of life that seeks the balance and harmony between the materialistic and spiritual values of life.<sup>7</sup>
7. Dattopant Thengadi did not find it advisable or practicable to think in terms of a blueprint.<sup>8</sup> Practical thinkers like Manavendra Nath Roy, Deendayal Upadhyay, Swa-

Western	Hindu
Compartmentalised thinking	Integrated thinking
Rights-oriented consciousness of others’ duties	Duty-oriented consciousness of others’ rights
Man - a mere material being	Man-a physical-mental-intel-lectual-spiritual being
Society, a club of self-centred individuals	Society, a body with all individuals therein as its limbs
Constant conflict between the individual, the society and nature	Complete harmony between individual, society and nature
The rape of Nature	Milking of Mother nature
Happiness for oneself	Happiness for all
Subservience to <i>Artha-Kama</i>	<i>Drive towards Purushartha Chatushtya</i>
Acquisitiveness	<i>Aparigraha</i> (non-possession)
Contrived scarcities	Abundance of production
Economy of rising prices	Economy of declining prices
Profit motive	Service motive
Consumerism	Restrained consumption
Monopoly capitalism through various devices	Free competition without manipulated markets
Economic theories centred around wage-employment	Economic theories centred around self-employment
An ever-increasing army of the proletariat	Self-employment, The ever-growing <i>Viswakarma sector</i>
Ever-widening disparities	Movement towards equitability and equality
Exploitation	<i>Antyoday</i>

tantryaveer Savarkar, Marx or Lenin refused to present any utopia, because according to them, it was an exercise in futility..... A blueprint may be evolved in course of actual implementation in the light of the broad guiding principles of the basic ideology, and that too by a trial and error method.

### Glimpses of Economic Thought

Dattopant summarized Hindu paradigm, in comparison to the Western one, in Quo Vadis, an introduction to the book ‘Hindu Economics’ by Dr MG Bokare.<sup>9</sup> These are the two entirely different paradigms with their entirely different value-systems, institutional arrangements and parameters. Points under Hindu paradigm

bring out a brief overview of his economic thinking.

### Development Policy

The Western thinking is in direct contrast with the Hindu concept of progress and development. Dattopant started with the brief outline given by Shri Guruji (given below) on the development and further expanded on these points in his writings adding new dimensions as needed.<sup>10</sup>

In his speeches at Thane Meet in 1972, Shri Guruji explained the basic Hindu view on socio-economic problems which can be summarized in brief as follows:<sup>11</sup>

1. The basic needs of life must be available to every citizen.
2. Material wealth is to be acquired, with the object of serving society which is but a manifesta-

tion of God, in the best possible ethical manner, and out of all that wealth, only the minimum should be used for our own purpose. Allow yourself only that much which is necessary to keep you in a condition to do service. To claim or to make a personal use of more than that is verily the act of theft against the society.

3. Thus we are only the trustees of the society. It is when we become true trustees that we can serve the society best.
4. Consequently, there must be some ceiling on the individual accumulation, and no person has a right to exploit someone else's labour for personal profit.
5. Vulgar, ostentatious and wasteful expenditure is a sin when millions are starving. There must be reasonable restrictions on all consumption. 'Consumerism' is not compatible with the spirit of the Hindu Culture.
6. Maximum production and equitable distribution and restrained consumption should be our motto; national self-reliance, our immediate goal.
7. The problem of unemployment and under-employment must be tackled on war footing.
8. While industrialization is a must, it need not be the blind limitation of the West. Nature is to be milked and not killed. Ecological factors, balance of nature and the requirements of the future generations should never be lost sight of. There should be an integrated thinking on education, ecology, economics and ethics.
9. Greater stress should be laid on the labour-intensive rather than the capital-intensive industries.
10. Our technologists should be

required to introduce, for the benefit of the artisans reasonably adaptable changes in the traditional techniques of production, without incurring the risk of increase in unemployment of workers, wastage of the available managerial and technical skills, and complete decartelization of the existing means of production, and to evolve our own indigenous technology with great emphasis on decentralization of the processes of production with the help of power, making home, instead of factory, the centre of production.

11. It is necessary to reconcile efficiency with employment expansion.
12. Labour is also one form of capital in every industry. The labour of every worker should be evaluated in terms of share, and workers be raised to the status of shareholders contributing labour as their share.
13. Consumer's interest is the nearest economic equivalent of national interest. Society is the third and more important party to all industrial relations. The current Western concept of 'collective bargaining' is not consistent with this view. It should be replaced by some other terms, such as, 'National Commitment', i.e., the commitment of both, the employers and labour, to the Nation.
14. The surplus value of labour belongs to the nation.
15. There need not be any rigidity about the patterns of industrial ownership. There are various patterns, such as, private enterprise, state ownership, co-operatives, municipal ownership, self-employment, joint owner-

ship (state & private), democratization, etc. For each industry the pattern of ownership should be determined in the light of its peculiar characteristics and the total requirements of the national economy.

16. We are free to evolve any variety of socio-economy order, provided it is in keeping with the basic tenets of Dharma.
17. But changes in the superstructure of society will be of no use if the mind of every individual citizen is not moulded properly. Indeed, the system works ill or well according to the men who work it.
18. Our view of the relation between individual and society has always been, not one of conflict, but of harmony and cooperation, born out of consciousness of a single reality running through all the individuals. The individual is a living limb of the corporate social personality.
19. The Sanskaras of identification with the entire nation constitute the real, social infra-structure of any socio-economic order.

### Values and Incentives

Consideration of values and incentives is very important while implementing the process of development. Dattopant says, "The Bharatiya culture evolved a co-ordinated system of materialistic as well as non-materialistic values of life which together served as an incentive for individual development. As it is well known, the *artha* and *kama* constituted the materialistic values which were blended finely with non-materialistic values of *dharma* and *moksha*. The material aspect was neither ignored nor glorified.

Consequently, the incentive was also of two types-materialistic as well as non-materialistic; material gains and enjoyment, and social status and recognition based on the non-materialistic values. Everyone was free to follow either of the two with the proviso that the sphere of enjoyment and that of social status would invariably be in inverse ratio. The higher the social status, the narrower would be the sphere of enjoyment; the wider the sphere of enjoyment, the lower would be the social status. There was perfect equality in society in that the total quota of enjoyment and social status put together would always be the same for every individual, though the ingredients of the quota would differ from man to man depending entirely on one's own voluntary choice."<sup>12</sup>

### Appropriate Technology

Technology plays a pivotal role in the process of development. Technology develops constantly in all fields all over the world. There is no need to redevelop it. We should assimilate knowledge from all people. He pleaded for a balanced approach towards technology and wrote "It is necessary to conduct research in modern as well as traditional, indigenous technology with a view to—

1. Evolving a National Technological Policy to determine what portions of Western technology are to be **adopted**, what others to be **adapted**, what others to be **rejected**, and the areas in which **evolution** of (new) Bharatiya technology is imperative.
2. Scrutinising the traditional tech-

***Technology plays a pivotal role in the process of development. Technology develops constantly in all fields all over the world. There is no need to redevelop it. We should assimilate knowledge from all people.***

nology to ascertain what portions of it are adaptable to modern conditions.

3. Developing our own indigenous technology in consonance with our socio-cultural pattern taking this precaution that it should lead to decentralisation of the process of production; exploring the possibilities of converting home, instead of factory, as a production unit with the help of power.
4. Introducing for the benefit of our village artisans and craftsmen, appropriate modification in the traditional techniques of production, without enhancing the risk of (a) increase in unemployment, (b) wastage of available managerial and technical skills, and (c) complete decapitalisation (partial decapitalisation is understandable) of their existing means of production."<sup>13</sup>

He also laid stress on the following points—

1. Foreign governments and companies should not have monop-

oly powers regarding technology resulting exploitation of Bharatiya entrepreneurs and consumers.

2. Proper Control or ban on techniques that are harmful to environment.
3. Appointment of Technological Ombudsman on national level.

### Agriculture

1. Agriculture should be given prominence in the economy.
2. Concessions given to the industrial sector should also be suitably extended to the agriculture sector.
3. Grants should be given directly to farmers rather than to manufacturers and suppliers of inputs like seeds, fertilizers etc.
4. A five year plan should be devoted to agriculture itself. This should be utilized to prioritize issues pertaining to agriculture such as investments in agriculture, irrigation, agri-inputs, remunerative prices for agricultural goods, proper development and regulation of agricultural markets, developing technology and making it available through effective extension network, creating enough storage system of warehouses and cold storages, all-round development of farmers involved directly in farming and generally safeguarding their interests and other factors of management. This should be accompanied by making proper policies, necessary changes in law, increasing direct budget expenditure on agriculture, giving importance to rural economics and above all cultivating a right mind-set to give prominence to agriculture.

5. While fixing price of farm products based on expenditure, labour of the owner farmer and his family should be included in the expenses as manager and direct labourer.<sup>14</sup>
6. There should be a balance between the price of farm products and cost of manufactured products in industry (Terms of trade).<sup>15</sup>
7. He was founder of Bharatiya Kisan Sangh (BKS) and laid down that BKS should work for the progress of the entire village as one family. He stated "We don't have faith in class struggle. It is non-applicable. Government will do everything and that would lead to progress of country –this is not the right notion. We have faith in the power of people and that will control the political power as well."<sup>16</sup>

### Industry

He was in favour of the industrialization of the country but he was insistent that instead of blindly following the West, industrialization should be carried out as per the needs of the country and in our own way. Some of the important points put forward by him are:

1. He founded Bharatiy Mazdoor Sangh and its motto 'Industrialise the nation, Nationalise the Labour, Labourise the Industry (*Rashtra ka Udyogikaran, Shramikon ka Rashtriyakaran, Udyogon ka Shramikikaran i.e. imbibing that national interest is supreme*)' brings out the elements of industrial policy.
2. Maximum decentralization of large and medium industry in household units making home,

- the centre of production.
3. Use of appropriate technology and ensuring environment protection.
4. The ownership of the industry should be decided on practical considerations. As per the needs of the industry and in the interests of the country the ownership can be with government, cooperative, local government, private or joint ownership by government and private)
5. He demanded integrated (*ekatmik*) economic policy including production policy, income policy, price policy and wages policy in October 1968.<sup>17</sup>
6. Observing the maladministration of the banking sector that provides the capital to industries, he suggested establishing Swayatta Vittiya Nigam (Autonomous Financial Corporation) way back in April 1971. Banks Board Bureau, an autonomous government organization has now been established in February 2016 to improve the management of government owned banks.<sup>18</sup>

### Labour Policy

The success of Bharatiya Mazdoor Sangh (BMS) itself demonstrates that a nationalist labour movement without foreign ideology can flourish in India.

Dattopant proclaimed some basic ideological points<sup>19</sup> in the very inaugural meeting of Bharatiya Mazdoor Sangh on July 23, 1955.

1. The interests of the country come first, and then the interests of industry and labour and in that order.
2. BMS will be a non-political labour organization, an organization of workers, for workers

and by workers that will be far away from party politics

3. It will be based on the Bharatiy economic thought and culture
4. Structure of society that is free from exploitation and abuse and based on justice and harmony.
5. Honest work for the upliftment of dalits, oppressed, neglected and downtrodden persons in society.

While talking on labour policy and advising workers he did not limit his thinking about issues directly concerning workers alone but contemplated on the economic life of the entire country and total national life. Some examples:

1. 'Industrialise the nation, Nationalise the labour, Labourise the industry' these slogans by Bharatiya Mazdoor Sangh gave apt answer to the slogan 'Nationalization of all industries' by the Communists. BMS' idea of 'Labourisation' of Industries promoted an idea where workers would collectively own and manage industrial units.
2. BMS' slogan 'We will work in the interest of the country and take full wage for the work done (*Desh ki bit me kearenge kaam, kaam ke lenge poore daam*)' was an answer to the slogan by Communists "*chabe jo majburi ho, hamari mange poori ho*" whatever may be the difficulties, our demands must be fulfilled.
3. Instead of 'capital-oriented economic structure' he demanded 'labour-oriented economic structure' to eradicate poverty and unemployment. This expression brings out major aspects of BMS goals.
4. Efficiency and productivity are important but it is essential to

take measures to retain employment.

5. Considering labour as capital and with proper valuation of work of workers, workers should be given a share in profit, participation in management and some ownership.
6. The nation should have right over the surplus value created in production process. The owner and workers should not grab it exclusively for themselves.

### Globalization

While writing an introduction to Dr. Daya Krishna's book 'Swadeshi View of Globalization' (pp.viii-ix), Dattopant wrote.

"Genuine 'Globalization' is a part of Hindu heritage. In ancient times we always considered ourselves as part and parcel of the entire humanity. We never cared to carve out for ourselves a separate identity. We identified ourselves with the entire mankind. 'The whole earth is our family' वसुधैव कुटुम्बकम् (Vasudhaiv Kutumbakam) - has been our motto. That is why the term 'Hindu' has no antiquity; it is not to be found in ancient literature.....

But now the roles are reversed. 'Globalization' is being preached to us by those who are known to history for their imperialistic exploitation and even genocide. Satans are quoting Bible. Hegemonism parading itself as globalization!

As a matter of fact, the measure that could have substantially helped the process of genuine globalization was the reconstitution of the United Nations with additional representatives of religious groups, ethnic groups, transnation-

al trade unions, environmental movements, human rights associations, welfare organizations, and other appropriate agencies from civil societies."

But globalization today has become a symbol and means of capitalist greed, looting and exploitation. Constant attempts are on for selfish gains and to obtain monopoly in market by hook or crook.

According to Dattopant the thought of *Swadeshi* and mutual cooperation among the countries in the southern hemisphere would guide us to march ahead. Strengthening the system of UNO would perhaps enable to counter unjust systems. At the same time it should be ensured that the interests of the country are not ruined bowing under any pressure.

### World Trade Organization

He opposed the World Trade Organization because it became a means of exploitation of developing and under-developed countries. Rules and regulations are essential for world trade but they should be fair and equal to all countries. They should not be unreasonably arduous. Since the rules are not such, he opposed WTO at the formative stage itself.

### Swadeshi

Dattopant defined Swadeshi as the practical manifestation of patriotism. This is a very appealing definition of Swadeshi agreeable to all and brings out the national spirit and the intent of action. However, he explained that patriotism does not mean turning your back to other countries but, following the principle of Ekatma Manav Darshan (only one consciousness residing among all hu-

manity), we are always ready for international cooperation based on equality and mutual respect

He wrote "It is wrong to presume that 'Swadeshi' concerns itself only with the goods or services. That is more an incidental aspect. Essentially, it concerns the spirit determined to achieve national self-reliance, preservation of national sovereignty and independence, and international co-operation on equal footing... 'Swadeshi' was not merely an economic affair confined to material goods but a broad-based ideology embracing all departments of national life."<sup>20</sup>

While speaking on Swadeshi economic policies he emphasized the following points:

1. Value based competition and cooperation
  2. Economic equality & opportunity
  3. No exploitation of nature but milking of nature
  4. Self-employment and not just salaried employment.
- Apart from these he frequently talked about the following points too:
5. Our paradigm of progress and economic policy to be in keeping with our culture and social life. i.e. family system, ethics, restrained consumption, environment friendliness, care of non-active members of society (children, aged and handicapped), stress on savings, and balance between decentralization and centralization
  6. Appropriate technology
  7. National self-reliance (not self-sufficiency)
  8. Fulfilment of basic needs-food, clothing, shelter, education and health
  9. Importance of not just eco-

conomic stimulus but other non-economic incentives

10. Antyoday (uplifting of the weakest section of the society)

### Consumer

1. Dattopant stressed that the consumer interest is closest to national interest.
2. Proper consideration should be given to consumer interest in all the economic affairs and representatives of consumers should be accorded a place in all economic deliberative and decision-making bodies and fora.
3. Selling price should be printed on every product and also the cost of production of that product. He put forward this demand through Akhil Bharatiya Grahak Panchayat and Swadeshi Jagaran Manch. He believed that this will ensure proper check on profiteering by manufacturers and retailers in the country. The same rule should be applied to foreign goods as well.<sup>21</sup>
4. He also called for publishing cost audit reports of the companies and making available copies of the reports of Bureau of Industrial Costs and Prices.<sup>22</sup>

### Third Way

In the background of the withering away of Communism and the probable collapse of Capitalism sooner than later, the search for a "THIRD WAY" is already on the radar of Western countries including the United States. Peter Drucker and Paul Samuelson and other thinkers had foreseen the inevitability of the collapse of capitalism, though their public expressions were sufficiently guarded.

Dattopant says, "We must conceive our own model of progress and development in the light of our culture, our past traditions, present requirements and aspirations for the future.

The tradition of ever changing socio-economic order in the light of the unchanging, eternal, Universal Laws of Dharma, is the foundation of the process envisaged by Hindu vision of life. That is why the need to create integral national consciousness mentioned earlier to focus on traditional Hindu ethos. Any alternative of development that is not in keeping with the cultural core of society would not be beneficial to society."<sup>23</sup>

**"Clamour of mankind for Third Way** - After the pathetic failure of Western ideologies, the destiny is prompting Bharat to provide the new leadership to the world groping in darkness. Mankind is eager for the new order that is called "THIRD WAY". The moral and god-entrusted responsibility to usher in this Third Way, which in fact is the only way, rests on Bharat. Only, the group of patriots dedicated to the goal of national reconstruction is eligible for this work. They will play a pivotal role in creating a new comprehensive world view (Weltanschung)"<sup>24</sup>

He opined that Ekatma Manav Darshan (Integral Humanism) is the third and the only way.

### Concluding Remarks

Dattopant has written extensively on various economic aspects and has also provided guidance in numerous *abhyasvargas* (training sessions). This article includes some of his important thoughts. Swami Vivekananda explained Vedanta in the West in the practical form (Prac-

tical Vedant). Dattopant used the words science (*shastra*) and applied science (*upayojit shastra*). He explained everything in the light of Sanatan Dharma, Ekatma Manav Darshan or holistic thought perspective.

His reflections are echoes, extension and elucidation of the thoughts of Shri Guruji and Deendayal Upadhyay. However, his innovative guidance proved useful for the new scenario as well (globalization, liberalization etc.). He initiated many organizations and his thoughts were very practical based on the direct experiences in those fields. That is why he holds a distinct position of an ideologue of first rank as well as a social architect who managed a perfect harmony between principles and practice. □□

**Ravindra Mahajan**, former Akhil Bharatiya Sahasamyojak of Swadeshi Jagaran Manch 9969069492 [auraent@gmail.com](mailto:auraent@gmail.com), Mumbai, 10.11.2019 inauguration of Birth Centenary Year of Dattopant Thengadi (translated from original Marathi by Sharmila Bhagwat 9967186859, [sharmila12331@rediffmail.com](mailto:sharmila12331@rediffmail.com))

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## A new lurking danger

Few would have missed the videos of children (under 10 years of age) chanting azadi and abusing the Prime Minister and Home Minister for alleged animosity and evil intent towards one community. Since one cannot expect children of such tender age to have knowledge or understanding of the Citizenship Amendment Act (CAA) and the National Population Register (NPR), it is safe to conclude that family elders tutored them to express such visceral anger towards the Government.

A dangerous radicalisation of the Muslim community is being fostered — with deliberate intent — the consequences of which are yet to unravel. Barring perhaps Saudi Arabia, it is doubtful if even Islamic countries make girls of such tender age wear full abaya (head and neck covering). Certainly, it has not been seen in India before. This points to deep indoctrination of every family within a targetted area and does not bode well for the future.

On the one hand, it will intensify the ghetto mentality within the community. On the other, it will make other citizens wary of dealing with those who wish to leave or avoid the ghetto. This is a double-edged sword that can only harm the Muslim community in the long and short run.

Doubtless, a powerful section of the community is behind the radicalisation agenda, for reasons unknown. The first indication of this phenomenon came during the three-day Ijtema (religious gathering) organised by Tablighi Jamaat (November 30 to December 2, 2018), when 15 lakh Muslims gathered at Bulandshahr, Uttar Pradesh, though permission was given for only two lakh people. Many guests came from abroad.

The proceedings of this gathering are not known. It attracted national attention when some cows were killed in a village on the road to Bulandshahr. Police inspector Subodh Kumar Singh died in the violence that followed but managed



*The three-day Ijtema organised by the Tablighi Jamaat last year points towards a larger trend of home-grown radicalism within the country. Radicalisation of the vulnerable must end.*  
**Sandhya Jain**



to contain the situation within the affected village. The Ijtema concluded peacefully but analysts said such a large gathering should not have been permitted in such a sensitive State and by such an orthodox body. Tablighi Jamaat exhorts Muslims to strictly follow practices adhered to during the lifetime of the Prophet, especially in matters of dress and ritual. All traces of non-Islamic (syncretic) behaviour are to be erased.

This converges with a larger trend of home-grown radicalism within the country. After the Students Islamic Movement of India (SIMI) and the Indian Mujahideen (IM) were banned, the Kerala-based Popular Front of India (PFI) emerged as the successor militant body and spread to Tamil Nadu, Karnataka, Telangana, Maharashtra, Gujarat, Rajasthan, Uttar Pradesh, Madhya Pradesh and Bihar.

Experts expect the Islamic State (IS) to formally tie up with the PFI to entrench itself in India and reach Nepal, Bangladesh and Myanmar. Sri Lanka has already been radicalised by people who visited southern India before the Easter blasts in 2019. Several youth from Kerala have travelled to Syria, Iraq and Afghanistan to join the IS; others have been caught doing online propaganda for it. Intelligence agencies are aware that the IS is attracting youth in India and in May 2019, it announced a new “Wilayah of Hind” (Hind Province) without specifying its geographical limits.

The Counterterrorism Group (CTG) Analysis & Intelligence Report (November 2019) states that after being driven out of Syria and the Middle East, the IS asked its leaders to move to South-east Asia

as almost every country in this region has deep ties to the Middle East. Its focus is on female domestic workers in Hong Kong and Singapore, who are vulnerable on various counts; Malaysia, Indonesia and the Philippines are next.

Female migrant workers are chosen because of their low (but stable) incomes, familiarity with English and wide network of international connections. Typically, they earn around \$1.00 to \$1.50 per hour and are often in need of financial help, for which they agree to join the Caliphate. English-speaking workers help the IS reach other demographics and regions. They help it acquire resources and intelligence from areas its members normally don't frequent.

Migrant workers are easy to manipulate as they are poorly educated, live in an alien environment and are lonely. Radicalisation usually begins after a traumatic event such as divorce, financial hardship or culture shock. The recruiter contacts the most vulnerable and offers a secure, romantic, and loving relationship; soon the migrant is invited for training via online chat rooms. Often migrants are recruited by fellow workers at a prayer group or social gathering on their day off. Some workers have been known to reach out to militants; they are quickly inducted into radical groups and groomed to become militants.

In a survey of radicalised domestic workers, the Institute for Policy Analysis of Conflict (IPAC) found that at least 50 Indonesian women working overseas as maids, nannies and caretakers for the elderly were radicalised by the IS and its affiliates. A study between 2013 and 2018 found that around 800 domestic workers

from South-east Asia tried to enter Syria or Iraq to join the IS after being radicalised abroad. This shows the efficacy of the IS' recruitment methods. IPAC has asked Governments to create mandatory training modules to educate migrant workers about the signs of exploitation and to help exploited victims.

In September 2019, Singapore arrested three Indonesian women domestic workers who promoted the IS online in their spare time, donated money to militants overseas and became so committed that at least one was ready to die as a suicide bomber in Syria. One Indonesian maid revealed that she listened to Salafi podcasts while working and an Indonesian butcher she met online encouraged her to go to Syria to join the IS. However, the Singapore authorities discovered her plans and deported her back to Indonesia in 2017.

Zachary Abuza, expert on IS in South-east Asia at the National War College, Washington, says the real stuff happens in dedicated chat rooms on encrypted apps — from bomb designs to active coordination. The female recruits serve as financiers, recruiters and coordinators; they collect funds from radicalised maids and send them to domestic jihadist groups. India is sitting on a tinderbox. When elementary school children chant obnoxious slogans against the nation and its top leadership, the masterminds behind the scenes should ponder what poison harvest they will reap from these toxic seeds. Azadi cannot hide behind the tiranga; India will never submit to further loss of territory. □□

*(The author is a senior journalist)*

<https://www.dailypioneer.com/2020/columnists/a-new-lurking-danger.html>

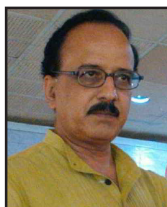
# Understanding Food Price Inflation: When Farmers Grow Onions But Get Peanuts

It was the last few days of 2018 and onion farmers were dumping their produce on the streets. That's because prices of the vegetable had crashed to staggering lows. Reports of onion farmers getting rates less than Rs 2 a kilo adorned local newspapers. Some had even acknowledged receiving a price as low as 30 to 50 paise per kg.

While farmers suffered, consumers were visibly happy. And so were the mainline economists. After all, food price inflation had come down to an 18-month low. The consumer food price index had come down to minus 2.65 per cent, pulling down the consumer price index to 2.11 per cent.

Strangely, there was no hysterical media drawing the nation's attention to the farmers' plight. Nor did we see any mainline economist, including those with the credit rating agencies and private sector banks, raise concerns over declining farm incomes. This was also at a time when the Niti Aayog had acknowledged that real farm income growth was 'near zero' continuously for two years. In another study, the government think tank had found that in five years till 2015-16, real farm incomes had grown by less than half a per cent every year, 0.44 per cent to be exact. Even this had failed to evoke a policy response from the monetary policy committee of RBI which remains obsessed with keeping inflation low. What happens to the livelihoods of millions of farmers and farm workers in the process is not its concern.

A year later, in December 2019, when consumer price index climbed to 7.35 per cent, essentially with retail food prices soaring to 14.12 per cent, driven mainly



*The benefit of high prices that consumers have to pay rarely percolates down to the farmers. Several studies have shown that a battery of middlemen and traders walk away with the bulk of the gains.*

**Devinder Sharma**



by price rise in onions and to a lesser extent in tomatoes, pulses, meat and milk, the media as expected went hysterical. The same media which conspicuously kept quiet last year when farmers were severely hit by low prices, is now questioning how the poor will be able to afford vegetables at such high prices. Economists, including those with brokering agencies, are debating whether higher food inflation at a time when the economy is expected to expand only by 5 per cent will lead to stagflation. With inflation going beyond the monetary policy band of 6 per cent (4 per cent, plus and minus 2 per cent) and fiscal deficit getting out of control, some economists are even calling for a review of the monetary policy, questioning whether it is capable of tackling inflation.

How the monetary policy can control rise in prices caused by supply-side constraints remains a puzzle. Agriculture and farmers welfare minister Narendra Singh Tomar told the Lok Sabha that a shortfall in onion production by over 15.8 lakh tonnes has led to the spike in onion prices. This was primarily because of unseasonal rains, which lashed parts of southern and central India after the period when monsoon normally withdraws, in the month of September.

A total area of nearly 64 lakh hectares was battered by incessant rains, which extended to early November, causing damage to standing crops. Much of the rain damage was in Maharashtra and Karnataka which produce nearly 50 per cent of the country's onion output. While Maharashtra received 1.5 times the average rainfall, untimely rains hit 45 per cent of the



***The benefit of high prices that consumers have to pay rarely percolates down to the farmers.***

area under onion production in Karnataka.

Higher food prices, especially that of onion, had also raised the wholesale price index (WPI) to a 7-month high of 2.59 per cent in December. But whether the benefit of a higher wholesale price went to farmers was perhaps best reflected by a video of a crying farmer from Ahmednagar in Maharashtra, which went viral on social media, who was able to sell onions for only Rs 8 per kg.

At a time when onion prices were ruling at a high of Rs 100 per kg, this farmer said he had employed extra labour to pull out the crop during heavy rains and what he got in return was peanuts. This is generally the story of farmers everywhere.

The benefit of high prices that consumers have to pay rarely percolates down to the farmers. In case of onions, traders purchase the crop when prices are low, store it in warehouses, and release it into the market when prices are favourable. It is known that a strong cartel of middlemen operates in onion trade, a nexus that successive governments have failed to break. Nevertheless, several studies have shown how a battery of middlemen and traders walk away with

the bulk of the food price rise gains. Market prices of pulses last year, for instance, had on an average prevailed at 10 to 25 per cent lower than the minimum support price (MSP) announced. Tomato, onion and potato are the three major vegetable crops that have been hit time and again by volatility of markets. It is primarily because of low price realisation by farmers that the demand of increasing and extending MSP to all crops remains steadfast.

Even if the MSP does not cover the cost of production that farmers incur, it at least provides them an assured price.

If only there is an improvement in supply chain management, which can ensure a higher proportion of the consumer price flowing to the farmers, there is scope for boosting rural incomes. However, what we are seeing is that when food prices increase, the consumer pays a much higher price without an accompanying increase in farmers' income. Unless middlemen's share in the food chain gets minimised or eliminated, there is little hope of farm incomes going up. □□

(The author is an expert on agriculture, and a food and trade policy analyst. Views expressed are personal)  
<https://www.news18.com/news/opinion/understanding-food-price-inflation-when-farmers-grow-onions-but-get-peanuts-2462201.html>

# Water Resources and Forests in Southern Rajasthan : An Inscriptional Study – I



*Aloka Parasher Sen focuses on the interaction between the state and the tribals inhabiting the forests in the Mauryan period. It is significant that the Arthashastra and Ashokan edicts highlight the royal perception of forest dwellers, and the processes through which the Mauryan state sought to control the forests and its populations.*  
**Prof. Nandini Sinha Kapur**

**This essay**, based on inscriptional records, examines the importance of water resources in agrarian expansion in southern Rajasthan between the seventh and seventeenth centuries. It also highlights the references to forests during this period. The essay assumes importance in the context of the historiography of environmental history in precolonial South Asia and that records on environmental history enable us to identify ruling elite and members of rural elite in terms of their access to natural resources. Although the scope of the debate on environmental history of colonial India is considerably large,<sup>9</sup> studies on the environmental history of ancient and medieval India have largely focused on issues of evolution of ecological and settlement patterns, resource utilization such as water and hydraulic machineries, forestation and deforestation, and conservation of nature. These studies range from a general discussion of the environment and its influence on history and culture, early Buddhist perceptions of the significance of forests, water resources and sanctuaries,<sup>10</sup> archaeological findings on ecology and deforestation in pre- and proto-historic South Asia,<sup>11</sup> to Greek literature on Indian flora and fauna. Since this essay focuses on water resources and forests, we will briefly highlight the research of B.D. Chattopadhyaya and Ranabir Chakravarti on irrigation projects of early medieval Rajasthan and hydraulic machines of ancient India, respectively, and Aloka Parasher Sen's work on tribes and forests in the Mauryan period.

B.D. Chattopadhyaya, in his study of irrigation projects in Rajasthan, compares and contrasts the pattern of crop production and irrigation between c. 700 and 1300 with that of an earlier period (pre-eighth century), to note changes in this pattern. Admittedly, data for early historic Rajasthan are meagre. Agriculture in areas like Rairh, Bairat, Ahar and Rang Mahal depended more on rainfall, annual floods and rivers. Chattopadhyaya provides a detailed discussion of the importance of tanks, wells and araghatta (water wheels) in the expansion of agriculture in early medieval Rajasthan. Inscriptions reveal three different names for wells and water wheels. Dhimada or shivala, vâpi (step well), and araghattalaraghaalarhaa (water wheels). Chattopadhyaya opines that the different terms may indicate operational variations in well irrigation. The relative importance of araghattas may be inferred from the fact that they invariably bear separate names, and from the social status of the people who seem to have transferred land irrigated by an araghatta to temples. A discussion on the controversy regarding the use of Persian wheels in early medieval Rajasthan is also provided.<sup>10</sup> The relationship between artificial irrigation and change in crop production is analysed.<sup>11</sup> A detailed and critical analysis of ownership of irrigation projects, particularly in western Rajasthan (where water was scarce), is illuminating.<sup>12</sup>

Ranabir Chakravarti is rightly of the view that the choice of habitat and the growth and decay of settlement are determined, to a considerable extent, by environmental factor.<sup>13</sup> Chakravarti makes important observations in the context of ancient India, that human settlements could alter the existing landscape; the success of agriculture depended largely on irrigation facilities; and the Gupta and post-Gupta period witnessed continuation of many characteristics of settlement patterns and hydraulic projects of the immediately preceding period, including creation of new

settlements and the maintenance of hydraulic projects by private agencies.” Inscriptional evidence from early medieval Bengal indicates the creation of settlements by royal land grants and irrigation projects by royal authorities and private entrepreneurs. The Rajatarangini reveals royal interest in hydraulic projects in the early medieval period. Two new types of artificial irrigation projects—*araghatta* and *vâpi*—appear in early medieval Gujarat” and Rajasthan,” respectively, while individuals and cooperative managed hydraulic projects in early medieval south India.” Bengal, being a region with better rainfall, had many nature sources of irrigation in the form of small streams or rivulets (*ganginikâ*), marshy lands (*iolaka*) and channels (*khatikâ*), 20 while the semi-arid Marwar, tapped hydraulic resources at considerable depth through the con structure of deep wells (*dhiku*) and water-wheels.<sup>21</sup> Thus, Chakravarti S findings complement Chattopadhyaya’s study, particularly on Rajasthan. Their works highlight not only the importance of water resources in the expansion of agricultural production, but also the socio-political significance of the ownership of artificial means of irrigation, particularly in the rid regions. Control over water resources in arid regions seems to have been an important means of gaining social status.

Aloka Parasher Sen focuses on the interaction between the state and the tribals inhabiting the forests in the Mauryan period. It is significant that the Arthashastra and Ashokan edicts highlight the royal perception of forest dwellers, and the processes through which the Mauryan state sought to control the forests and its populations, *Atavikâ* (forest) is repeatedly referred to in the Arthashastra and Ashokan edicts,

which conveys its significance—economic, strategic and political. Sen observes that overall, the period of Ashokan rule, ‘brought a greater awareness about the need to protect animal and forest wealth, at a time when their destruction was a potent reality’. Sen rightly suggests that the impact of Mauryan policies on tribal habitats has been overestimated, as historians have tended to project the Mauryan state as a monolithic state. It seems that the Mauryan intrusion into forests disturbed the socio economic texture of life of the tribals. Disturbance of tribal habitats did not necessarily mean large-scale ‘peasantization’ of tribes, but a disruption of many of the food-gathering and -hunting localities, particularly those bordering the plains. These areas came to depend on the produce of the plains, while large scale forest resources began to be exploited by the metropolitan society. The above survey offers us a macro-perspective of pre colonial South Asia, including a big region like Rajasthan, highlighting the symbiotic relationship between man and his environment, natural resources and their utilization, tribals, their habitats and interactions with agrarian cultures.

In the background of these macro-studies, the case study of a micro-region like Mewar offers us a chronological survey of the natural environment, its function in an agrarian economy, its conservation and degradation, and human projects to manage the depleted natural resources. A brief introduction to the geography of the region of Mewar highlight a differentiation in space, accounting for distinct sub regions with their own nuclear or core areas and peripheries. The sub-regions of the Mewar hills and upper Banas plain comprise the territory popularly known as ‘Mewar’. It consists

of the districts of Udaipur, Chittorgarh and Bhilwara. The Mewar hills cover the whole of Udaipur district except its two eastern tehsil, Mavali and Vallabhnagar, the recently formed district of Rai Samand (carved out of Udaipur district), and the south-eastern margin of Pali district. It touches the northern portion of the middle Mahi basin, which is largely occupied by the Bhil and Garasia tribe. Agricultural activities are confined to the valley of Breach and its small tributaries and the area north of the Mahi River. This sub-region is situated between the Banas Plain and the Abu block. The highest part of the Mewar hills is the Bhorat plateau (1,202 m). The rainfall here is moderate (50-100 cm).” The south-eastern part of Mewar hills is densely forested and the south-west is covered with jungle scrub and grass, closely-packed ridges and valleys ridden with boulder-strewn riverbeds. Hence, western and southern hills of Mewar hills are unable to sustain agricultural activity. This sub-region had red and yellow soil in the north-west and ferruginous red soil in the southern part. It produces crops like maize, wheat, barley, gram and oilseeds. The sub-region is rich in mineral resources, especially copper, zinc, lead and silver (*Zawar* mines), and a major route of communication in the early medieval period ran from Delhi-Agra to Malwa and Champaner-Dohad in Gujarat via Ahada in Mewar.” The other significant feature of this sub-region is the concentration of the tribal population in the Bhorat Plateau and the adjoining hills. Here lies the land predominantly occupied by the Bhils. Even today, many of them practise shifting agriculture. The Bhil occupied territory of the Mewar hills is popularly known as *Bhomat*. qq

## Tax social media giants, ecommerce companies: SJM



The Swadeshi Jagran Manch (SJM) has strongly recommended that the Centre bring foreign-run social media giants, ecommerce companies, giant foreign software companies and large taxi and travel aggregators under the tax net in the upcoming Budget, to meet its revenue shortfall. SJM is an influential RSS affiliate whose imprint is increasingly found on a number of government decisions.

SJM's 'protectionist' recommendation comes at a time when Prime Minister Narendra Modi and commerce minister Piyush Goyal have been making statements in tune with the Manch's stand —exhorting citizens to buy more Indian goods than foreign ones, to boost the Indian economy.

SJM focuses on economic issues has been fighting doggedly to 'protect' Indian small and medium sector enterprises from 'foreign owned' ecommerce firms and large MNCs. After pre-budget consultations with the government, the Manch sent in its recommendation to the finance ministry, expressing concern over the revenue and direct tax shortfalls and the inefficiency of the GST network.

Dr. Ashwani Mahajan (National Co-convenor, SJM) also attended an official prebudget meeting with finance minister Nirmala Sitharaman along with industry stakeholders such as FICCI and CII.

"Yes, we have made some suggestions to the finance ministry for the upcoming budget and on the economy. We are concerned over the projected shortfalls in revenue from GST and from direct taxes. CBDT's projections of a shortfall by Rs 1.4 lakh crore in direct taxes is again worrisome. The natural victims of these shortfalls in revenue are social sectors like education, health, drinking water, child and women development, besides infrastructure development. SJM feels the decrease in corporate receipts is being

seen not because there is a slide in their growth but because emerging corporates are not paying tax," SJM told ET.

SJM pointed out that a large number of 'emerging corporates', including tech companies, e-commerce companies or giant foreign software companies were not paying taxes. It has recommended that large foreign software firms like Google be taxed on the basis of their income and ecommerce firms be brought under the tax net through a MAT module.

<https://economictimes.indiatimes.com/news/politics-and-nation/tax-social-media-giants-ecommerce-companies-swadeshi-jagran-manch/articleshow/73790400.cms>

## SJM writes to PM against proposed merger of Public Sector General Insurance Companies



Swadeshi Jagran Manch (SJM) wrote to Prime Minister Narendra Modi requesting him to not to permit proposed merger of three Public Sector General Insurance Companies (PSGICs) saying that it shall have negative impact on "very ambitious schemes" including Pradhan Mantri Jan Aarogya Yojana (PM-JAY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Fasal Bima Yojana (PMFBY) and PMJJBY.

"This letter has reference to the proposed merger of Oriental Insurance Co Ltd and United Insurance Co Ltd and National Insurance Co Ltd, in one new entity, which is likely to endanger growth of insurance sector in the country in general and the flagship insurance-based social schemes initiated by your Government in the past 5 years," says SJM.

Referring to several schemes initiated by the NDA government, the letter read: "If these public sector enterprises start turning away from socially desired insurance, similar to private sector companies, what will happen to the flagship insurance schemes started by the government under your leadership and the

public outcry resulting thereof.”

“Further, we wish to put on record that PSUs are the ones servicing most of the claims under Motor Third Party Insurance in far-flung rural areas of the country where private players do not want to enter,” as per SJM's letter.

Asserting that the organisation agrees that these companies have to “stop bleeding”, the letter said the solution lies not in merger but in other areas such as reviewing the efficiency of staff, eliminating vested interest in payment of commissions for generating business, prudent premium charging policy keeping in view the claims settled and examining some government support in payment of claims in social sector schemes on the lines of payment of insurance premium.

“We once again remind you that existence of the public sector insurance companies is key to the successful implementation of socially important flagship insurance schemes initiated under your visionary leadership,” the letter read.

<https://www.thedispatch.in/sjm-writes-to-pm-modi-against-proposed-merger-of-public-sector-general-insurance-companies/>

## FDI in education bad idea: SJM



Swadeshi Jagran Manch (SJM) opposed Finance Minister Nirmala Sitharaman's budget announcement that the government will encourage FDI in education, saying it is a “bad idea” and will lead to “westernisation” of education. Barring the promotion of FDI in education, SJM's co-convenor Ashwani Mahajan appreciated the budget proposals.

“FDI in education is wrong. It is a bad idea and we oppose this proposal,” Mahajan said. “We should not allow foreigners to enter our education sector. This will lead to westernisation of education and will not be in national interest.”

Presenting the Budget, Sitharaman said the government will encourage external commercial borrowings and FDI in education to finance infrastructure

and to be able to deliver high-quality education.

Mahajan said this was considered to be the “most difficult budget” of this decade but was presented in a confident manner. A broad vision was seen in the form of provisions for corporate world, foreign investors, infrastructure, personal tax reforms etc. and also the efforts to increase the income of the common man and support the rural economy, he said.

<https://www.nationalheraldindia.com/national/rss-affiliate-swadeshi-jagran-manch-slams-niti-aayog-ceo-for-unending-love-for-amazon>

## Can't trust Huawei as China risked world's health with coronavirus: SJM



Swadeshi Jagran Manch (SJM) has said the Narendra Modi government shouldn't trust Huawei — the Chinese telecom major that has been allowed to take part in 5G trials in India — as China has “jeopardised world health” with coronavirus, which is a result of its bio-warfare experiment.

As per SJM there's no guarantee that Huawei will not jeopardise India's security.

“We are raising this point only to awake the Government of India about not trusting the Chinese. If they can jeopardise world health (with coronavirus) by allowing bio-warfare experiment, then what is the guarantee that Chinese telecom giant Huawei, which has a history of working with Chinese military, will not jeopardise India's national security by stealing sensitive information?” SJM told ThePrint.

On coronavirus allegedly being the result of China's bio-warfare experiment, Mahajan Wednesday shared a report on Twitter in which Israeli biological warfare analyst Dany Shoham was quoted as saying that the deadly new coronavirus could have originated in a laboratory in Wuhan linked to China's covert biological weapons programme.

Mahajan quoted from the article and tweeted: “And we keep believing Chinese, taking them on face

value. And even ready to handover our strategic sectors like telecom to Huawei.” Experts have, however, debunked the idea that the virus could be man-made.

“Based on the virus genome and properties there is no indication whatsoever that it was an engineered virus,” said Richard Ebright, a professor of chemical biology at Rutgers University, in a report published in The Washington Post. A Lancet study has suggested that while bats may be the original hosts of the new coronavirus, an animal sold at a seafood market in Wuhan could be spreading the virus to humans.

<https://theprint.in/india/cant-trust-huawei-as-china-risked-worlds-health-with-coronavirus-rss-affiliate-leader/356832/>

### **Goyal asks traders to go swadeshi by selling, consuming local goods**



Commerce and Industry Minister Piyush Goyal on Monday asked the traders to promote swadeshi by selling and consuming local products, saying it will help in boosting economic growth to double digits.

He exhorted domestic traders to pay heed to the call given by Prime Minister Narendra Modi to promote swadeshi products.

"If traders start using swadeshi (indigenous) goods, sell swadeshi products and promote those items, the economic growth will boom...no one can stop us from growing at 7, 8, and 9 per cent and double digits," Goyal said here while addressing members of the Confederation of All India Traders (CAIT).

Modi in one of his 'Mann Ki Baat' programmes has called upon people to promote indigenous products. The minister also asked CAIT to prepare a database of a number of shops and people employed in those establishments in the country as that data will help the government implement demands made by the traders community effectively.

On this, CAIT said it will start the work soon and will prepare the database in the next six months.

Goyal said data is essential for the government

to prepare schemes and programmes for welfare of people but regretted that some people are opposing National Population Register.

For exports, he said the ministry is working on a scheme to enhance credit for exporters. He also emphasised on using quality and standard products. He said the US has over 800 SPS (sanitary and phytosanitary) and TBT (technical barriers to trade) protocols, but India has less than 500.

<https://www.livemint.com/news/india/goyal-asks-traders-to-go-swadeshi-by-selling-consuming-local-goods-11580140120712.html>

### **The world's 2,153 billionaires are richer than 4.6 billion people: Oxfam**

The world's richest 1 per cent have more than twice the wealth of the rest of humanity combined, according to Oxfam, which called on governments to adopt inequality-busting policies.

In a report published ahead of the World Economic Forums annual meeting in Davos, the United Kingdom (UK)-based charity said governments are massively under-taxing rich individuals and corporations, and under-funding public services.

Oxfam's 'Time to Care' report also highlighted gender-based economic disparities, saying women and girls were burdened with disproportionate responsibility for care work and fewer economic opportunities. Economic inequality is out of control, with 2,153 billionaires having more wealth than 4.6 billion people in 2019, it said.

"Our broken economies are lining the pockets of billionaires and big business at the expense of ordinary men and women. No wonder people are starting to question whether billionaires should even exist," said Oxfam India Chief Executive Officer (CEO) Amitabh Behar.

The world's three richest people amassed a total of \$231 billion over the past decade, according to data compiled by Bloomberg. Facebook Chief Executive Officer (CEO) Mark Zuckerberg -- the fifth-richest person in the world -- had the highest boost last year, with a net gain of about \$6 billion. Amazon.com Inc CEO Jeff Bezos still claims the top spot with a net worth of \$116 billion.

The total wealth of the top 20 billionaires has doubled from \$672 billion to \$1,397 billion since 2012, according to Bloomberg Wealth. An individual who saved \$10,000 a day since the construction of Egypt'



s pyramids would still only have a fifth of the average fortune of the world's top five, Oxfam said.

Oxfam's critics have dismissed the headline inequality statistics as misleading and suggest that they drastically overstate the scale of the problem. The organisation has repeatedly defended its analysis and challenged such accusations.

The charity's annual statistics rely on Credit Suisse's Global Wealth report, which Oxfam itself said suffers from poor quality of data and may even underestimate the scale of wealth disparities.

Citing World Bank research, Oxfam said reducing inequality has a bigger effect on lowering extreme poverty than economic growth. That analysis shows that if countries reduced income inequality by 1 per cent each year, 100 million fewer people would be living in extreme poverty by 2030, it said.

Figures from the Washington-based lender show extreme poverty has declined drastically in the past two decades. They show the number of people living on less than \$1.90 a day declined by 1.1 billion from 1990. The World Bank warns however that poverty reduction has slowed or even reversed in some countries. 736 million people still lived in extreme poverty in 2015, more than half of whom are in Sub-Saharan Africa.

<https://www.thehindubusinessline.com/news/world/the-world-s-2153-billionaires-are-richer-than-46-billion-people-oxfam/article30605811.ece>

## Amazon's \$1-bn investment not a favour for India: Piyush Goyal

Commerce minister Piyush Goyal on Thursday said global online retail giant Amazon.com Inc indulged in predatory pricing even as Bharatiya Janata Party leader Vijay Chauthaiwale took a dig at its founder Jeff Bezos for publishing "unduly" critical reports on the Modi government in The Washington Post, which he owns.

A day after Bezos, currently on a visit to India,

announced fresh investments of \$1 billion in India, Goyal said Amazon was not doing any favours to the country with its investment asked whether the huge losses made by the company were linked to "predatory pricing or some unfair trade practices".

Goyal acknowledged Amazon's investments in warehousing but asked whether the money was being brought in "largely to finance losses in an e-commerce market place model." He added that this raised questions of "where the loss came from".

Swadeshi Jagran Manch said Goyal's comments indicate that the Centre may have become "more sensitized to the problems of opening up FDI (in online retail)". "There is a fear in every trader's mind that these global chains will kill their business."

Meanwhile, reacting to a statement by Bezos where he said the 21st century will be India's; Chauthaiwale tweeted: "@JeffBezos, please tell this to your employees in Washington DC. Otherwise your charm offensive is likely to be waste of time and money." "I am a regular customer of Amazon and not against them. But I am definitely against what Washington Post is writing," Chauthaiwale said. An Amazon spokesperson did not immediately comment on the matter.

<https://www.hindustantimes.com/business-news/amazon-not-doing-favour-to-india-by-investing-a-billion-dollars-goyal/story-JM9Lb1rgbbzwAjdM5qSL.html>

## Budget: Healthcare industry welcomes govt's move to improve access to medical care

The healthcare industry on Saturday welcomed the initiatives announced by the government in Budget 2020-21 to improve the access to medical care across the nation.

"Budget 2020 is a definitive step forward in the Government of India's commitment to making India healthier and a model for the world to emulate," Apollo Hospitals Group Chairman Prathap C Reddy said.

In addition to initiatives announced to improve access to medical care across the nation and boost human health resources, it was encouraging that vital determinant of good health which includes wellness, nutrition, clean drinking water, and sanitation were at the forefront of this Budget, he added.

Calling it a farsighted budget, Reddy said the Finance Minister has announced "innovative initiatives that will enhance ease of living, improve the health quotient and boost opportunities for education and job creation, for all sections of our society and meet

Press Release

## Budget 2020-21

Swadeshi Jagran Manch (SJM) thanks Finance Minister Smt Nirmala Sitharaman for promoting rural economy and rural employment via promoting fisheries, horticulture and other non farm activities, curbing Chinese imports by invoking 'Rule of Origin' in Free Trade Agreements, discouraging non essential imports like furniture, toys etc by imposing higher tariffs and also discouraging imports of medical equipments by raising health Cess.

SJM firmly believes that due to flooding of imports into India as a result of consistent reduction of tariffs caused by obsession of past governments with the idea of free trade, and signing of unthoughtful Free Trade Agreements, our trade deficit kept widening and increased by nearly 30 times in the past 20 years. This led to destruction of our domestic industry, both big and small, manufacturing declined and employment of youth started receding. It's laudable that in the last few years government has resisted itself from entering into new FTAs and has initiated review and renegotiation of previous concluded FTAs, has started raising tariffs on imports, imposed anti-dumping duty on number of imports and has also invoked standards to curb imports. This has helped in encouraging manufacturing of electronics, telecom and consumer products. Present budget continues with the same policy, for which Finance Minister deserves appreciation.

However, SJM strongly opposes the budget announcement regarding opening of FDI in education. SJM firmly believes that this policy instead of reforming education, may deform the same. Whereas, we can not expect top global educational institutions to open their campuses in India, rather this policy may give rise to opening of 'teaching shops'. Today, when New Education Policy is in making, and government is trying to reform education in the country, these 'teaching shops' may become roadblock in the same. Country needs reforms in education and training and skill formation based on our development needs. In this regards, SJM urges upon the government, that before further embarking upon the path of FDI (including in education), government must bring out a 'White Paper' about costs and benefits of FDI, including outflow of foreign exchange and take an informed decision about going ahead with this policy.

Further, SJM firmly believes that there is a need to encourage saving culture in the country to make available domestic resources for the development of the country. Therefore, we urge upon the government not to withdraw incentives for comping, which are available to the taxpayers. Development of the nation is possible only by domestic resources. Therefore, there is need to boost domestic saving, which has gone down in the recent past.

SJM appreciates the measures taken by the Finance Minister including GST invoice financing, tax and other provisions for start-ups. We believe that these measures along with restrictions imposed on imports will promote manufacturing both in small and big industries, which can in turn boost employment and well being of people. 16 point work plan for rural sector may spur employment and GDP growth. However, we need to increase budgetary provision for the same.

the expectations of an aspirational India."

In similar vein, NATHEALTH President H Sudarshan Ballal said the budget accorded priority on capacity building by improving health infrastructure in Tier II & III cities and rural areas.

"Setting up hospitals on private public partnership with the provision of viability gap funding in 112 Aspirational Districts in the country go a long way in creating a robust health infrastructure especially in areas where Ayushman Bharat benefits have not yet reached especially to the weaker section," he added.

Calling it a directionally sound Budget, Biocon

Chairperson & MD Kiran Mazumdar-Shaw said: "I am happy to see the government's focus on reviving economic growth."

The proposed amendments to the Companies Act for removing criminal action in case of tax disputes is a step towards infusing trust among India Inc, she added. The use of Machine Learning and Artificial Intelligence for preventive healthcare along with increasing the number of Jan Aushadhi Kendras will take forward the government's agenda of health-care for all, she added.



<https://www.livemint.com/budget/news/healthcare-industry-welcomes-govt-s-move-to-improve-access-to-medical-care/amp-11580557882083.html>

Swadeshi Activities

# Swadeshi Mela, Hisar (Haryana)

Pictorial Glimpses



## Mahila Sammelan, Porbandar, Gujarat



Jamshedpur, Jharkhand (Swadeshi Mela)



Panipat, Haryana

Swadeshi Activities

# Dattopant Thengadi Janam Shatabdi Varsh (2019-20)

Pictorial Glimpses



Kolkata, West Bengal



Ajmer, Rajasthan



Bharatpur, Rajasthan



Prayagraj, UP



Faridabad, Haryana

