

EDITORIALS

- The Elusive Home
- Fortifying Investors' Interests

FROM THE EDITOR'S DESK

- In a Perpetual Panic

COMMENTARY

- Examining the COVID-19 Relief Package for MSMEs
- A Gender-responsive Policy and Fiscal Response to the Pandemic
- Role of the Private Sector in Escalating Medical Inflation: Evidence from 75th Round NSS Data
- Paradox of a Supply Constrained Keynesian Equilibrium: The COVID-19 Case

BOOK REVIEWS

- *Political Parties, Party Manifestos and Elections in India, 1909–2014*
- *Resurgent Asia: Diversity in Development*

INSIGHT

- Labour Law Changes: Innocuous Mistakes or Sleight of Hand?

SPECIAL ARTICLES

- Lives and Livelihood: An Exit Strategy from Lockdown
- Rapid Growth of Private Universities: Transformation of the University Space
- Doctoral Journeys: From Field Diaries to Institutional(ised) Authorship

CURRENT STATISTICS

POSTSCRIPT

Closing the Gaps for MSMEs

Measures that will help this priority sector tide over the lockdown crisis are suggested, and its changed definition in the relief package is analysed. [page 10](#)

Saving Lives and Livelihoods

A clear strategy is outlined for dealing with the virus and the economy, and for identifying industries and areas where limited economic activities can resume. [page 38](#)

Controlling Medical Inflation

A regulatory mechanism is needed for the dominant private healthcare sector that induces inflationary pressure on household costs and potentially on the government health budget through the insurance route. [page 18](#)

Reimagining the Labour Market

If stringent labour laws are the cause of underdevelopment in certain regions, what explains the abysmal condition of labour in the more developed regions where investment is much more? [page 33](#)

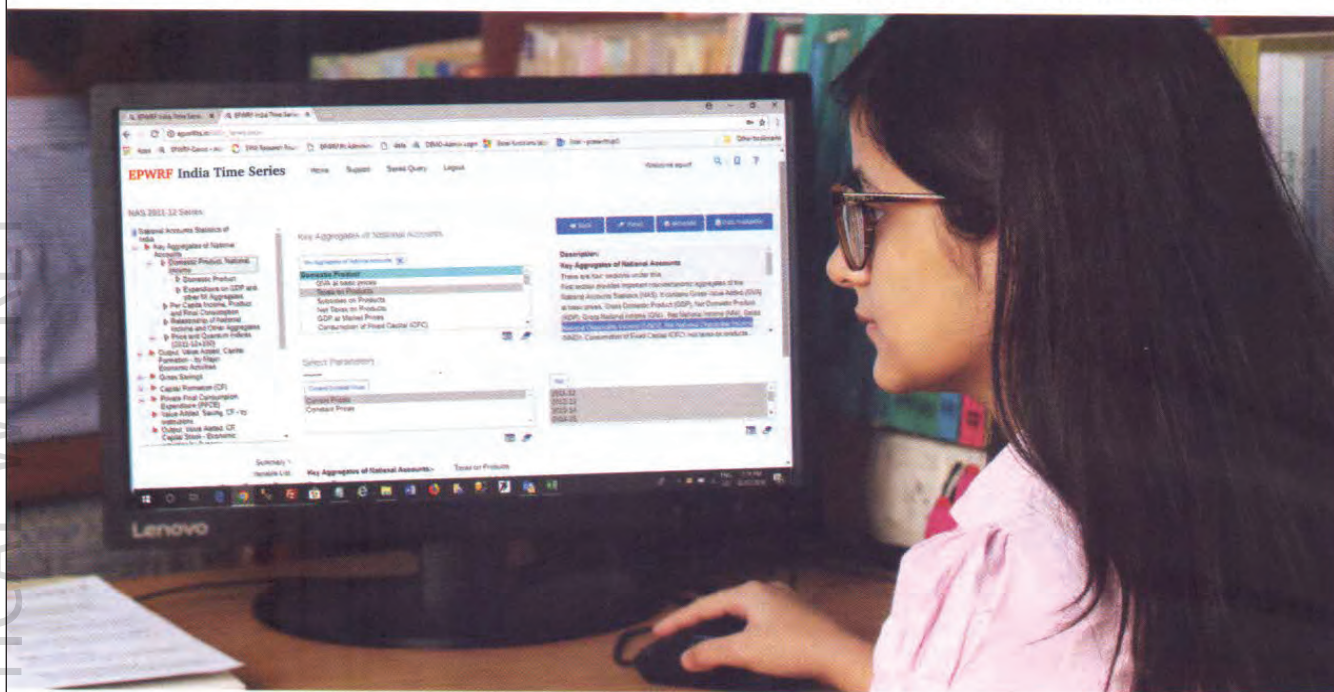
No 'Factory Reset Buttons'

There is much speculation about how the post-pandemic world will be, but capitalism, or healthcare, or the environment is not an object-like system with specific principles that can be changed at will. [page 63](#)

EPWRF India Time Series

(www.epwrfits.in)

An online database on Indian economy developed by EPW Research Foundation, Mumbai.



-  National Accounts Statistics of India
-  Domestic Product of States of India*
-  Price Indices**
-  Agricultural Statistics*
-  Wage Rates in Rural India**
-  Annual Survey of Industries*
-  Industrial Production Series**
-  Mineral Statistics*
-  Statistics of Mines*
-  Power Sector Statistics*

-  External Sector Statistics#
-  Monetary Statistics#
-  Financial Markets#
-  Banking Statistics**#
-  Insurance Statistics#
-  Finances of the Government of India#
-  Finances of State Governments*
-  Combined Government Finances
-  Health Statistics*
-  Educational Statistics*

*Includes state-wise data **Includes vital banking indicators for 702 districts #Also contains monthly data

KEY FEATURES

- > Data availability in time-series format
- > Thirteen modules with state-wise data
- > Data updated timely
- > Easy downloading facilities with query options
- > Export data to Excel
- > Saves time spent on data compilation
- > Very economically priced



For further details, visit www.epwrfits.in | For subscription details, e-mail to its@epwrf.in

EDITORIALS

The Elusive Home	7
Fortifying Investors' Interests.....	8

FROM THE EDITOR'S DESK

In a Perpetual Panic.....	9
---------------------------	---

FROM 50 YEARS AGO

COMMENTARY

Examining the COVID-19 Relief Package for MSMEs — <i>Sangeeta Ghosh</i>	10
A Gender-responsive Policy and Fiscal Response to the Pandemic — <i>Jashodhara Dasgupta, Sona Mitra</i>	14
Role of the Private Sector in Escalating Medical Inflation: Evidence from 75th Round NSS Data — <i>Pritam Datta, Chetana Chaudhuri</i>	18
Paradox of a Supply Constrained Keynesian Equilibrium: The COVID-19 Case — <i>Dipankar Dasgupta, Meenakshi Rajeev</i>	22

BOOK REVIEWS

<i>Political Parties, Party Manifestos and Elections in India, 1909–2014—A History of Political Parties in India</i> — <i>Mahendra Prasad Singh</i>	28
<i>Resurgent Asia: Diversity in Development—The Phenomenal Rise of Asia: Unfolding of Diverse Development Strategies</i> — <i>Rakesh Mohan</i>	30

INSIGHT

Labour Law Changes: Innocuous Mistakes or Sleight of Hand? — <i>Atul Sood, Paaritosh Nath</i>	33
--	----

SPECIAL ARTICLES

Lives and Livelihood: An Exit Strategy from Lockdown — <i>Partha Chatterjee, Soma Dey, Shweta Jain</i>	38
Rapid Growth of Private Universities: Transformation of the University Space — <i>Anirban Sengupta</i>	45
Doctoral Journeys: From Field Diaries to Institutional(ised) Authorship — <i>Anupama Mahajan, Krupa Rajangam, Savitha Suresh Babu</i>	53

CURRENT STATISTICS.....

POSTSCRIPT

COVID-19 and the Rhetoric of Social Overhaul — <i>A P Ashwin Kumar</i> (63), Pixação in São Paulo: Stories from the Favelas — <i>Varsha Gopal</i> (64), The Coming of Corona — <i>Madhumati Dutta</i> (65), Last Lines (66)	
---	--

LETTERS

The Elusive Home

- 7 Do Indian states have the political will to make the return migrants feel at “home”?

Fortifying Investors' Interests

- 8 The government's stimulus package, by prioritising foreign and private capital, undercuts the significance of self-reliance.

Examining the COVID-19 Relief Package for MSMEs

- 10 The COVID-19 relief package for micro, small and medium enterprises and the changes to the defining criteria for MSMEs are examined. — *Sangeeta Ghosh*

A Gender-responsive Policy and Fiscal Response to the Pandemic

- 14 It is important to include women and lesbian, gay, bisexual, transgender, queer and intersex+ in government policy and the fiscal response to the ongoing health crisis. — *Jashodhara Dasgupta, Sona Mitra*

Role of the Private Sector in Escalating Medical Inflation

- 18 Analysing 75th round NSS data, it is found that treatment costs in private commercial hospitals as well as in private charitable hospitals are manifold compared to public facilities. — *Pritam Datta, Chetana Chaudhuri*

Paradox of a Supply Constrained Keynesian Equilibrium

- 22 This article looks at the possible impact on prices and discusses the implications of select policy interventions for a “supply-constrained” Keynesian equilibrium. — *Dipankar Dasgupta, Meenakshi Rajeev*

Labour Law Changes: Innocuous Mistakes or Sleight of Hand?

- 33 The changes in labour laws announced during the lockdown period in several states reflect a lack of concern for the highest unemployment seen in the past 45 years and the large number of workers returning back to an economy ravaged by agrarian distress. — *Atul Sood, Paaritosh Nath*

Lives and Livelihood: An Exit Strategy from Lockdown

- 38 A road map for resuming limited economic activities with necessary precautions in certain industries that can lessen economic pain, given the prevailing situation, has been drawn up in this paper. — *Partha Chatterjee, Soma Dey & Shweta Jain*

Rapid Growth of Private Universities

- 45 Based on higher education enrolment data from the All India Survey on Higher Education, the social and academic character of universities is studied to understand the consequences of the rapid growth of private universities. — *Anirban Sengupta*

From Field Diaries to Institutional(ised) Authorship

- 53 The ways in which three doctoral scholars engaged in ethnographic research in differing social worlds are explored here, raising important questions about the dilemmas of authoring social worlds. — *Anupama Mahajan, Krupa Rajangam & Savitha Suresh Babu*

Postscript

- 63 *A P Ashwin Kumar* on understanding social systems and the calls to overhaul them in the context of the COVID-19 pandemic; *Varsha Gopal* on Pixação as a visual art form born from resistance in São Paulo; *Madhumati Dutta* on life at the threshold of the COVID-19 pandemic; and Last Lines by *Ponnappa*.

Ever since the first issue in 1966, EPW has been India's premier journal for comment on current affairs and research in the social sciences. It succeeded *Economic Weekly* (1949–1965), which was launched and shepherded by SACHIN CHAUDHURI, who was also the founder-editor of EPW. As editor for 35 years (1969–2004) KRISHNA RAJ gave EPW the reputation it now enjoys.

EDITOR
GOPAL GURU

EXECUTIVE EDITOR
LINA MATHIAS

SENIOR ASSISTANT EDITORS
LUBNA DUGGAL
INDU K
SUNIPA DASGUPTA

COPY EDITORS
JYOTI SHETTY
TEJAS HARAD

ASSISTANT EDITORS
NACHIKET KULKARNI
SHRUTI JAIN

EDITORIAL ASSISTANT
MALVIKA SHARAD

CHIEF FINANCE OFFICER
J DENNIS RAJAKUMAR

PRODUCTION
SUNEETHI NAIR

CIRCULATION
KULDEEP NAWATHE

ADVERTISEMENT MANAGER
KAMAL G FANIBANDA

GENERAL MANAGER & PUBLISHER

GAURAANG PRADHAN

EDITORIAL: edit@epw.in

CIRCULATION: circulation@epw.in

ADVERTISING: advertisement@epw.in

ECONOMIC & POLITICAL WEEKLY

320–322, A TO Z INDUSTRIAL ESTATE
GANPATRAO KADAM MARG, LOWER PAREL
MUMBAI 400 013
PHONE: (022) 4063 8282

EPW RESEARCH FOUNDATION

EPW Research Foundation, established in 1993, conducts research on financial and macro-economic issues in India.

DIRECTOR
J DENNIS RAJAKUMAR

C 212, AKURLI INDUSTRIAL ESTATE
KANDIVALI (EAST), MUMBAI 400 101
PHONES: (022) 2887 3038/41
epwrf@epwrf.in

SAMEEKSHA TRUST

(Publishers of *Economic & Political Weekly*)

BOARD OF TRUSTEES

DEEPAK NAYYAR, CHAIRMAN

SHYAM MENON, MANAGING TRUSTEE

ANDRÉ BÉTEILLE, **D N GHOSH**,

DEEPAK PAREKH, **ROMILA THAPAR**,

RAJEEV BHARGAVA, **DIPANKAR GUPTA**,

N JAYARAM, **SUDIPTO MUNDLE**

Printed and published by Gauraang Pradhan, for and on behalf of Sameeksha Trust and printed at Modern Arts and Industries, 151, A-Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400 013 and published at 320–322, A-Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400 013

Editor: Gopal Guru (Editor responsible for selection of news under the FRB Act)

A Tale of Exodus

This is in response to Ketan K Shah's letter to the editor "Online Teaching during COVID-19" (EPW, 23 May 2020).

The way the world works today is entirely different from the way it used to be earlier. Undoubtedly, the higher education system in India is being transformed and redefined by an unprecedented state of chaos. The current COVID-19 pandemic seems to be actually holding out hope to this system.

Traditional teaching norms and aids have been disrupted like never before. The remonstrations to maintain decorum in the classroom have evolved into "mute your mic" and "can you see my screen" please. The world of chaos born out of this pandemic is fundamentally reimagining the education systems across the globe. Online platforms and open source opportunities are mushrooming with lightning speed. Is it creating "urban gizmo landlords of the 21st century"? The answer is a big no.

Zoom classes and university learning management systems (LMS) are being used widely across different universities, and online webinar sessions and interactive panel discussions are being streamed live. Educational institutions and universities (public and private) have adapted to the emergency and made remarkable attempts to cope with the pandemic's impact through the virtue of "hope," like the protagonists in Greek mythology. This ray of hope is the by-product of the massive experimentation, which was once blamed for possible erosion of the quality of educational structures. Online learning and teaching

platforms may not be accessible to every student, but the possibilities they open are immense and not bound by political boundaries.

Information and communications technology has primarily transformed the sectoral outlook and functioning of human interaction. The Indian education sector was often forced to cater to the needs of jobseekers who sought employment on graduation and then spent a lifetime in a job that never truly inspired nor made them passionate for the cravings of knowledge. The spread of technology has changed this scenario tremendously. Many may miss out on these benefits, but there is always a gradual start to such changes. How can online teaching be criticised for rising up to face the challenge of the crisis the world is experiencing today? It is transforming an ailing system to an adaptive and inherently flexible mode of education that broadens the calibre and creativity of student communities across the globe. These digital classes are low-cost experiments towards a sustainably reliable education model.

The once well-known land of wisdom and knowledge, with eminent universities like Nalanda and Vikramashila, is now deprived of quality education and research facilities. The long wait for a perfect system will never end, unless the short-term challenges are met and long-term strategies are devised. If we focus on the possibilities, it will create a world of opportunities tomorrow.

Alan Vellaiparambill

BENGALURU

Permission for Reproduction of Articles Published in EPW

No article published in epw or part thereof should be reproduced in any form without prior permission of the author(s).

A soft/hard copy of the author(s)'s approval should be sent to epw.

In cases where the email address of the author has not been published along with the articles, epw can be contacted for help.

Many Meanings of Resilience

India, with the second largest population in the world, has previously demonstrated success in combating contagions like polio and smallpox, with targeted local intervention strategies. However, the difference in its characteristics and mode of transmission makes COVID-19 a global challenge. COVID-19, the globally pervasive pandemic of the 21st century, has significantly exposed unfavourable adaptive practices and socially unjust outcomes, especially in South India. The understanding of resilience is significant in this context—resilience, as having significant merits in combating hazards, visible more recently through the outbreak of the COVID-19, has clear and novel implications.

As per socio-ecological system research, resilience is instrumental in addressing complex and adaptive ecosystem networks, as anthropocentric actions have made it impossible to view human and nature as discrete. Crawford Stanley Hollings in his 1973 article titled “Resilience and Stability of Ecological Systems” defined resilience as the capacity of ecosystems to bounce back to their original state after being subjected to perturbations. Studies on adaptive practices were given importance to assess vulnerabilities in communities affected by climate change hazards and to design cost-effective mitigation policies. The resilience framework has also been applied to social impact studies, where adaptive practices in communities are portrayed as necessary traits for developing better management of resources and overall well-being. However, the central question that remains is: Can resilience become part of a feasible policy structure, when its attainment and challenges vary across the social classes?

The COVID-19 pandemic provides an interesting context to the global and local perception of resilience in India, where containment strategies remain ineffective due to the lack of an effective response system to the initial emergence of the virus, dearth of data management on population clusters and lack of aggressive contact tracing. Post the outbreak of

COVID-19, physical distancing has been conceived as a useful precaution. However, marginal inhabitants in squalid living conditions do not have potential room for distancing. On the contrary, looking at the urban privileged classes, who engage in somatic gestures showing solidarity to essential service workers, ambiguities in the “one-for-all” containment strategy become evident, thereby acknowledging the need to explore “resilience” beyond linear narratives. In a developing country like India, perceptions on better livelihood often encourage migrants to go to cities, who eventually become part of the urban informal sector, and are instrumental in the development of “Third World megacities.” However, they are unable to escape class stratifications, falling victim to structural inequities and the trap of “informality.”

Is it possible to perceive resilience beyond representative narratives and portray the political economy that challenges its application? How does the unequal distribution of means affect the adaptive practices? Is resilience an option towards achieving well-being for the poor? The Indian context of policy practices amidst COVID-19 offers an interesting perspective to these questions.

As the urban elite continues to maintain social distancing and proper sanitation while engaging in various modes of entertainment indoors, the urban poor ponder over subsistence! Undoubtedly, the current scenario requires community cooperation to tackle the situation. But it is also important to not homogenise the struggles of the economic minorities. It

is imperative to recognise that the idea of resilience itself varies according to one’s socio-economic position. While an information technology employee has the prerogative of working from home, their idea of resilience in this pandemic may require dipping into their savings until a more concrete plan for future can be constructed. But a daily wage labourer lacks this benefit and envisions resilience as an ultimatum to survive. Resilience, although a necessary trait among vulnerable communities to adapt to an adverse situation, does not provide stability in lifestyles. If given a choice, no one would like to practise resilience as a mode of life, but the choice of resilience is dependent on resources available or provided to individuals.

Human exploitation of nature needs to be controlled in order for humans and other species to coexist peacefully. This would not be plausible without bridging the socio-economic gap and addressing the assimilation of the vulnerable communities and the local stakeholders into urban development blueprints. Thus, keeping the COVID-19 crisis in mind, it is necessary to induce needs-driven policies for effective coping capabilities, without romanticising the notion of resilience.

Shreyashi Bhattacharya

KHARAGPUR

Corrigendum

In the article “Dalits and the Environment” by Raj Kaithwar (*EPW*, 11 April 2020), the name “Jitaram Manjhi” on pages 25 and 26 should have read as “Dashrath Manjhi.”

The error has been corrected on the *EPW* website.

EPW Engage

The following articles have been published in the past week in the *EPW* Engage section (www.epw.in/engage).

- (1) Tropics of Disease: Epidemics in Colonial India — *Burton Cleetus*
- (2) Catch-22 with COVID-19: Health or Economy? — *Rohit Azad and C Saratchand*
- (3) Designing for Democracy: Does the Personal Data Protection Bill 2019 Champion Citizen Rights? — *Padmini Ray Murray and Paul Anthony*
- (4) Interrogating the AI Hype: A Situated Politics of Machine Learning in Indian Healthcare — *Radhika Radhakrishnan*
- (5) Who Is Responsible When Technology Fails the Marginalised? — *Sakina Dhorajiwala*
- (6) What Does Work-From-Home Mean for Women? — *Ashwini Deshpande*

Subscription Rates

(Revised rates effective April, 2019)

Print Edition – For India

Rates for Six Months (in Rs)

Category	Print	Print + Digital Archives
Individuals	1,900	2,655

Rates for One Year (in Rs)

Category	Print	Print + Digital Archives (According to Number of Concurrent Users)		
		Up to 5	More than 5	Single User
Institutions	5,500	11,800	17,700	
Individuals	3,300			4,720
Students	1,800			3,068

Rates for Three Years (in Rs)

Category	Print	Print + Digital Archives Single User
Individuals	9,000	11,800

Concessional rates are restricted to students in India. To subscribe at concessional rates, please submit proof of eligibility from an institution.

Print Edition: Subscriber receives the print copy by post to the address given.

Print plus Digital Archives: Subscriber receives the print copy and has access to the entire archives on the EPW web site.

Print Edition — For SAARC and Rest of the World (Air Mail)

Airmail Subscription for One Year (in US \$)

	Print	Print + Digital Archives (According to Number of Concurrent Users)		
		Up to 5	More than 5	Single User
Institutions				
SAARC	215		500	
Rest of the World	430	600	1,000	
Individuals				
SAARC	175			200
Rest of the World	250			300

Web Edition/Digital Archives

The full content of the EPW and the entire archives are also available to those who do not wish to subscribe to the print edition.

Category	India (in Rs)		SAARC (in US \$)		Rest of the World (in US \$)	
	Number of Concurrent Users		Number of Concurrent Users		Number of Concurrent Users	
Institutions	Up to Five	6,490			Up to Five	300
	More than 5	14,160	More than 5	250	More than 5	750
Individuals	Single User	2,360	Single User	100	Single User	150

Types of Web Access to the Digital Archives

Individual subscribers can access the site by a username and a password, while institutional subscribers get access by specifying IP ranges.

To know more about online access to the archives and how to access the archives send us an email at circulation@epw.in and we will be pleased to explain the process.

How to Subscribe:

Payment can be made by either sending a demand draft/cheque in favour of **Economic and Political Weekly** or by making online payment with a credit card/net banking on our secure site at www.epw.in.

Address for communication: **Economic & Political Weekly**
320–322, A to Z Industrial Estate, Ganpatrao Kadam Marg,
Lower Parel, Mumbai 400 013, India

Increase in Subscription Rates

The EPW is compelled to raise the Digital Subscription Rates on account of Goods and Service Tax (GST) being applicable to Digital Subscriptions. The GST rate for Online Information Data Base Access and Retrieval (OIDAR) is 18%. The category Print plus Digital will also attract 18% as GST. The subscription rates quoted are inclusive of the 18% GST rate.

Notes for Contributors

Submission Guidelines

EPW welcomes original contributions that have not been submitted, published, or accepted for publication elsewhere. Contributors must specify the same in the article submission email. Contributors are urged to follow EPW's stylesheet (<https://www.epw.in/style-sheet.html>). All contributions must be accompanied by:

- An abstract of 150–200 words
- Six to eight keywords
- Author name, email address and contact number for correspondence, one-line author note for each author stating current designation and affiliation, and author photographs (optional). We include the provided email address in the author note.

Contributors are cautioned against plagiarism and excessive self-referencing. Figures, graphs and tables must be used sparingly to avoid repetition of content. All supplementary files such as figures, tables, maps, etc, must be provided in MS Office (Word/ Excel) or other editable formats, wherever possible.

The EPW editorial team reserves the right to slot an article in a specific section, as deemed fit.

Receipt of articles is immediately acknowledged by email. If contributors have not received an acknowledgement and reference number within a week of submission, they are requested to check their spam folders for the mail and write to us at edit@epw.in.

Every effort is taken to complete early processing of the articles we receive. Given the high volume of articles received daily, it can take up to six months for a final decision on whether an article is accepted for publication. Articles accepted for publication can take up to 12 months from the date of acceptance to appear in print.

Letters (Word limit: 500–800)

Readers are encouraged to comment on current affairs and/or respond to published articles in EPW. Letters must contain the author's full name and postal address.

Commentary (Word limit: 2,000–3,000)

Short, analytical articles on topical and contemporary social, economic and political developments will be considered for this section.

Book Reviews (Word limit: 1,500–2,000)

EPW commissions book reviews. However, on occasion, unsolicited reviews may be considered for publication.

Insight (Word limit: 4,000–5,000)

Innovative and focused analyses of social, economic, and political phenomena would be considered for this section.

Perspectives (Word limit: 4,000–5,000)

Articles presenting unique viewpoints and standpoints on existing scholarship and contemporary phenomena are welcome for this section.

Special Articles (Word limit: Up to 7,000)

Original, unpublished research papers in any of the humanities and social sciences are welcome.

Notes (Word limit: 4,000–5,000)

Short, original articles covering preliminary research in any of the humanities and social sciences would be considered for this section.

Discussion (Word limit: 1,500–2,000)

In order to foster debate and discussion, responses to articles published in EPW are encouraged.

Postscript (Word limit: 800–1,200)

Short accounts or reflections on different aspects of culture (travel, literature, dance, music and film) will be considered under this section.

Engage

Contributions to this section may be in the form of articles (2,500–3,000 words), photo essays, podcasts and videos on topical social, cultural, economic and political developments. For more details, visit: <https://www.epw.in/notes-contributors-epw-engage>.

Copyright

EPW posts all published articles on its website as well as on select databases. Published articles may be considered for translation into Indian languages under our ongoing project.

The copyright of all articles published in EPW belongs to the author or to the organisation where the author is employed, as determined by the author's terms of employment.

Permission for Reproduction

1. EPW has no objection to authors republishing or revising their articles for other publications. However, the republished article must mention prominently that a version of the article first appeared in *Economic & Political Weekly*. It must also include the publication details along with the URL of the original EPW article.
2. No published article or part thereof should be reproduced in any form without prior permission of the author(s). A soft/hard copy of the author(s)'s approval should be sent to EPW.

Please refer to the detailed Notes for Contributors (<https://www.epw.in/notes-contributors.html>) and Frequently Asked Questions (<https://www.epw.in/frequently-asked-questions>) section on the EPW website. Send us your submissions on edit@epw.in.

The Elusive Home

Do Indian states have the political will to make the return migrants feel at “home”?

In India, a humanitarian disaster is unfolding along with the health calamity ever since the lockdown was announced more than two months ago. A despondent mass of migrant workers is trudging their way back “home,” forced to disregard official restrictions of maintaining physical distance and, thus, rendered more vulnerable to COVID-19 infections. While, previously, there were efforts to enforce arbitrary restrictions on their remigration, without having any strategies of containing them in their urban locations in place, now there is a belated decision to run Shramik special trains even as the contagion is on a rising curve. However, not only does the process of travel registration lack clarity, but the travel itself involves jostling for space in trains that are for no apparent reason making circuitous journeys for as many as 60 hours in the peak heat of May. With paucity of food and water and having already undergone prolonged, untold hardships, many are failing to make it to their destination.

The questions that should provoke our conscience at this brazen display of the state’s willy-nilly handling of the workers’ issue are: Who are these migrants? A demographic category, or an economic entity? In being a demographic category, they may have proven their worth as a vote bank, but that worth does not translate while rewarding, let alone recognising, their “labour” in the production process of the broader economy. For these poor workers, who have been living hand-to-mouth even in their pre-lockdown days, the lockdown exposed their precariousness to the larger world. The sudden suspension of all works and basic services due to the imposition of the lockdown by the state in an authoritarian manner has left them helpless without the required state support. But have they ever really had a “state” that included them in its development process?

The desperation of these workers to go back to their native places (“home”) is indicative of the fact that, for them, migration for employment is hardly backed by any aspiration or chance for social mobility. It is more distress-driven because their local economies have failed to provide them sustainable livelihood options. The trajectory of the current reverse migration shows that the largest wave of returnees is flowing towards regions of agrarian distress in states of Bihar, Uttar Pradesh (UP) and Odisha, clearly exposing the spatial faultiness of the politics of development during the post-liberalisation period.

According to the Periodic Labour Force Survey, 2017–18, Bihar and UP reported an unemployment rate of 7.2% and 6.4% respectively, higher than the national average of 6.1%. Further, with

the loss of revenue due to the stalling of major economic activities under the lockdown, these states now are confronting the twin challenge of providing livelihoods to millions of returning workers and also of upgrading their poor public health system to effectively deal with the sudden rise in the number of COVID-19 patients. In these states, the status and infrastructure of healthcare services are not only very poor but also constantly deteriorating. Given the ground realities of the absence of basics to survive, there is a speculation that crime and lawlessness will be on the rise in the coming times.

The (re)migrant workers’ households in these states immediately need opportunities to earn cash instead of small mercies. It is, therefore, extremely important that opportunities of work be created for them to avoid this disaster from slipping into a situation of food riots in the countryside. There have been demands to initiate cash transfers in the form of universal basic income (UBI) for at least six months, but it does not seem to have met the eyes of the policymakers. Similarly, the demand for Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) work is stronger than ever, and the states must expand the scale of MGNREGA works as the most viable alternative to the idea of UBI. Simultaneously, on the healthcare front, public expenditure on health is not just the most essential tool in fighting against epidemics, but also to reduce poverty.

While the Atmanirbhar Bharat Abhiyan package may be presented as a “panacea” for the emerging crisis, attention also needs to be drawn to the fact that interventions at this stage require a strong federal commitment and not just funds. The central government’s steamrolling of policies, such as withholding of goods and services tax (GST) compensation, suspension of Member of Parliament Local Area Development Scheme (MPLADS), etc, has put unprecedented fiscal pressures on the state governments. Simultaneously, there are states, especially those with high shares in the national-level seasonal/circular migration, which are suspending the state labour laws through ordinances, thereby limiting the central government’s claims of expanding MGNREGA work for the returning workers.

There was no dignity of “labour” of these workers in their urban worksites. Back “home” this time, there may be no dignity of “life” for them. For now, they have come back to add to the mass of the potential contenders for the meagre opportunities in their local economies, rather than as the erstwhile enablers of social mobilisation for their families and peers. This risk of a structural

crisis and social tension looms large. The challenge before the state, at this juncture, is to create such material conditions that would bring to these workers some sense of self-worth, which they have

lost, caught between rural distress and urban informality. When will the Indian state rise to the cause of these most vulnerable “citizens” of its own?

Fortifying Investors’ Interests

The government’s stimulus package, by prioritising foreign and private capital, undercuts the significance of self-reliance.

In the midst of the COVID-19 crisis, the government’s rescue-cum-stimulus package, which purportedly aims to build a self-reliant economy, has also ironically paved the way for the expansion and control by private as well as foreign capital. This step taken by the government has offered private and foreign capital an entry into hitherto inaccessible sectors of the economy. The government, by announcing the opening up of strategic sectors, has thus safeguarded the interests of capital and ensured new arenas for unbridled capitalist accumulation. But, considering the unfolding humanitarian crisis involving the migrants and the working poor and excessive loss of livelihoods, these announcements have come at an inopportune moment. Moreover, these announcements were made without any consultation with the stakeholders or discussions and debates in parliamentary committees. Although these reforms were on the government’s agenda for some time, these were kept on hold until now.

The government’s structural reform announcements have focused on eight sectors, such as defence production, coal and minerals, airspace management, airports, maintenance, repair and overhaul (MRO) in aviation, power distribution companies in the union territories, space, and atomic energy. The reforms include permitting and expanding private participation in these sectors in accordance with the neo-liberal agenda pursued by the government, subjugating societal interests to that of private and foreign capital, leading to the accumulation of profits by the investors. In the defence sector, foreign direct investment (FDI) limits have been relaxed from 49% to 74% through the automatic route. What would these relaxations in FDI norms imply? For certain, a greater share of returns on investments will be transferred out of the country. Therefore, the effects of the multiplier on the domestic economy and employment generation would be limited.

The opening up of the country’s strategic sectors that comprise built-up national assets and resources in favour of private and foreign players would be detrimental to national interests inasmuch as it would widen the growth of inequalities. In the defence sector, for transferring critical technology to subsidiaries, the relaxation of FDI norms had been a major demand of the foreign vendors. The government has also announced the notification to ban imports of a list of weapons/platforms, with year-wise timelines. This has been done to promote indigenisation of defence production. Apart from these, the government also has announced the corporatisation of Ordnance Factory Board (OFB).

With respect to coal, the government had relaxed the norms required for mining and sale of coal as per the Coal Mining (Special Provision) (CMSP) Act, 2015 and Mines and Minerals (Development and Regulation) (MMDR) Act, 1957. The government had allowed “open-access auctioning” of coal mines and

eased the norms regarding the entry of foreign players without considering the ecological impacts of such expansion.

In the aviation sector, six more airports, apart from the 12 already auctioned in the previous rounds, were identified for privatisation in the second round through the public-private partnership route. This is also expected to boost the real estate and allied sectors that would benefit from the proposed privatisation of airports. Further, restrictions on airspace were to be partially lifted in order to reduce travel time and save fuel. Reforms in the sector also aim to make India a global hub to repair and overhaul planes.

Another reform measure announced by the government that had raised concerns over protection of private interests is the privatisation of electricity distribution companies (discoms) in the eight union territories. The draft Electricity (Amendment) Bill, 2020, by way of sub-licensee and franchisee, also allowed private participation in electricity distribution. The government has now pushed forth its agenda without even consulting the stakeholders. In sensitive sectors, such as space and atomic energy, where private players are now allowed, stringent regulatory guidelines are required to ensure accountability and to specify the responsibilities of every participating agency, given the sensitive nature of technology.

Apart from these structural reforms, the government has also announced the opening up of all sectors to private companies, while allowing for consolidation of the public sector units (PSUs) in strategic sectors that are to be notified. Each notified strategic sector will have only a maximum of four PSUs. The remaining state-run companies would be either privatised, or merged, or brought under holding companies. This is done to initiate the disinvestment, sale and privatisation of state-run companies. Apart from this, the government has also relaxed many compliance requirements to make operations easier for private companies by decriminalising the Companies Act, 2013 violations. These could involve minor technical and procedural defaults, for instance, delay in holding annual general meeting, inadequacies in board report, shortcomings in corporate social responsibility reporting, filing defaults, and so on.

The policy thrust towards unhindered expansion in the role of the private sector, however, would not necessarily lead to more efficiency or improve the standards of product and service delivery, nor would it be an abiding solution to the economic crisis facing the country at a time when the government has also not been successful in meeting its disinvestment targets so far. What these measures prove is that the priority of the government is to promote “ease of doing business” by deregulating the sectors of strategic importance. This is, however, being done by simultaneously hand-holding and facilitating capital accumulation by the private and foreign companies on the pretext of securing self-reliance.

In a Perpetual Panic

In the midst of the COVID-19 crisis, the migrant workers' journey on Shramik (special) trains seems to be filled with intolerable hardships and sufferings. As media reports show, the workers on the trains are scrambling to grab food and water bottles whenever and wherever it is possible for them. The acute state of panic, however, continues to travel with these migrants right from the departing station of the trains in which these workers have managed to travel. The state of panic that begins right at the pickup point, continues to acquire serious proportions by the time the train arrives with these workers at its final destination.

In this regard, however, it needs to be acknowledged that panicking is not part of the natural disposition of these workers. It is, in fact, a socio-psychological condition that entraps these workers right from the day they step into the land of "promise"—the metropolis. Put differently, the state of panic or pandemonium is socio-structurally accumulated, politically reproduced, and tragically arrived at.

A panic situation is the result of a process and is continuously worsening without any substantial improvement. For grabbing a day's odd job at "mazdoor addas" in the cities and scrambling to get on to the local trains to reach these "addas," workers have to go through a panic situation. Mazdoor addas anyway add to the state of panic as they offer only a few jobs, and that too without any guarantee for tomorrow. It is in this sense that panic is a normal phenomenon and not a metaphor or an event. In fact, it is a result of accumulated anxiety among workers who have been entrapped into the demographically congested slums in Indian metros. Panic, which manifests itself with an acute sense of desperation, has been induced by hard necessity to escape the impending danger of starvation and emotional suppression that has become imminent in the time of the COVID-19 crisis.

The current crisis that has brought an unprecedented helplessness for these migrant workers has created in them an urgent need to escape the socio-psychological condition of entrapment. However, the sense of entrapment in these distressful conditions, mired with uncertainties of life, seems to have been further aggravated by the politics of administrative mismanagement at the railway stations on the one hand and the brandishing of images of the dead bodies on the other. It has been alleged that the confusing time schedule of the trains, leaving particularly

from Mumbai, created panic among the migrant workers who were desperate to board the train.

The circulation of images of dead bodies through social media is likely to deepen the sense of fear and anxiety among the workers. They are likely to further slip into a state of panic. In both commercial and social media, hiding the name and the face of COVID-19 infected patients is considered ethical as it saves an infected person from facing social stigmatisation. In a similar vein, hiding the body from the public eye can also reduce the intensity of the sense of panic. This is not to suggest that a lapse that is evident in the piles of dead bodies should go unnotified; it can perhaps be rectified by making indirect suggestions to an erring administration. But some of the political enthusiasts choose to take these images directly to the people, perhaps to cause an embarrassment to the government.

However, the critique offered by such enthusiasts stops only at the government's alleged failure. It fails to make any comment on the breakdown of ethical values. Human values are breaking down as close relatives are failing in their ethical duties to claim and cremate the dead bodies. The ethical failure of the relatives can be explained in terms of their upper most desire for self-preservation, and commitment to self-care and contentment.

Shramik trains are reported to have been arriving not only with harassed workers, but with several dead bodies of some of the workers. In some cases, bus journeys for pregnant women did turn out to be fatal, as for the twins who died one hour after they were born. As reported in the media, a toddler was seen trying to wake up its dead mother at one of the railway stations in Bihar. All these tragic narratives should send a strong moral indictment to both the state and the civil society.

We understand that panic is a constraint or the desire for human unity and solidarity. Panic tends to necessarily impose limitations on optimism, as pessimism becomes dominant in the crisis. However, such an understanding stands defied by the experience that reassures us that there is an optimism in human values. This optimism has purchase in many initiatives that show human efforts to help the helpless go much beyond the communal strife and the capacity of the government and complacency of the civil society.

Lopallpur

FROM 50 YEARS AGO

ECONOMIC AND POLITICAL WEEKLY

VOL V, NO 22

MAY 30, 1970

Partial Solution

With the fixing of the 'norms' for calculation of conversion and packaging charges, the price control on drugs has at last become operative. On paper, prices of medicines have been subject to control since as far back as 1968, but in fact

the so-called price 'freeze' imposed in the wake of the hostilities with China was totally ineffective and, indeed, mischievous insofar as it created the impression of Government intervention to reduce prices when, in fact, nothing of the sort was being attempted or achieved. How high were the levels at which prices were 'frozen' was demonstrated by the study by R K Hazari published in this journal...The study revealed that in 1964 the then wholly foreign-owned companies earned a cash profit which would fetch their investment back in just two years; the rate of profit of the foreign-majority

companies was such as to recoup their investment in a little over four years. The data yielded by the Tariff Commission's inquiry, completed in mid-1968, confirmed that, despite the industry's well-orchestrated complaints of rising costs, the margins between costs and market prices of drugs remained unconscionably high. The Commission worked out fair retail prices for 49 formulations on a cost-plus-reasonable-profit basis; the actual retail prices charged by different companies for their own brands of these drugs were in most cases way above the Commission's estimate of fair prices...

Examining the COVID-19 Relief Package for MSMEs

SANGEETA GHOSH

The COVID-19 relief package for micro, small and medium enterprises and the changes to the defining criteria for MSMEs are examined. While the changes in the MSME definition open the sector to larger enterprises, the composite criteria introduce fresh ambiguities to the defining of MSMEs. Liquidity infusion measures at this juncture without adequate measures to revive demand will not help MSMEs tide over the COVID-19 lockdown-induced crisis.

The micro, small and medium enterprises (MSMEs) are of immense importance to the Indian economy, in terms of generating employment, output, and exports. Yet, it is a sector that is vulnerable, and can quickly become unstable and unviable, particularly in the presence of external shocks. In recognition of these aspects, the finance minister announced the much-awaited relief package for the MSMEs on 13 May 2020 to tide over the COVID-19 lockdown-induced crisis. The announcements also included a change in the defining criterion for MSMEs. I discuss what the change means for the sector. The gaps in the response of the state to ensure viability of the MSME sector in the midst of the ongoing pandemic are explored and some specific recommendations are offered.

Defining MSMEs

Any priority sector scheme that seeks to target beneficiaries, includes certain entities and excludes others. Thus, defining these entities becomes important. Being classified as MSMEs provides enterprises some handholding by the state, making them eligible for certain benefits. These include priority lending from banks, collateral free loans, mandatory sourcing of 25% of procurements by the central government from micro and small enterprises (MSEs), and a slew of other targeted benefits.

Identifying what qualifies as a small and medium enterprise (SME) has been a

contentious issue for decades. Internationally, consensus on a uniform norm has been hard to achieve (Berisha and Pula 2015), and the most accepted ones are from the World Bank and the International Finance Corporation based on the criteria of employment, assets, and turnover, where a unit has to fulfil the employment criteria, and any one of the two financial criteria to qualify as an SME.

In India, MSMEs were defined by the MSME Development Act of 2006 for the first time (Table 1). The act used investment in plant and equipment for manufacturing and in equipment for services (excluding investments in land and building, costs of research and development and pollution control devices, etc) as the defining criteria. The recent changes in the definition of MSMEs follow a composite criterion, using both turnover and investment in plant and machinery (Table 1). They also eliminate the difference in investment thresholds between the manufacturing and services sector.

While threshold revisions to adjust for inflation itself are a routine task, there has been deliberation in the past with the MSME Development (Amendment) Bill 2018 introduced in the Lok Sabha to define MSMEs by the turnover criteria alone. With the Goods and Services Tax (GST) Act in place, a measure of turnover was seen as an easier and a more transparent way to define MSMEs.¹ This was, however, met with stiff resistance on the grounds that the turnover thresholds were too high, and defining the MSMEs by turnover alone would expand the group to include much larger units (Sinha 2018). Given this context, understanding the recent changes to the MSME definition is important.

Investment size and turnover criterion: Defining MSMEs by the investment

Table 1: MSME Definitions—Old and New

	MSME Criteria by the MSME Development Act, 2006: Investment in Plant and Equipment (Manufacturing) and Investment in Equipment (Services)		
	Micro	Small	Medium
Manufacturing enterprises	Investment < ₹25 lakh	Investment < ₹5 crore	Investment < ₹10 crore
Services enterprises	Investment < ₹10 lakh	Investment < ₹2 crore	Investment < ₹5 crore
	Revised Criteria announced on 13 May 2020: Composite Criteria based on Investment and Turnover		
	Micro	Small	Medium
Manufacturing and services	Investment up to ₹1 crore and turnover up to ₹5 crore	Investment up to ₹10 crore and turnover up to ₹50 crore	Investment up to ₹20 crore and turnover up to ₹100 crore

Sangeeta Ghosh (sangeetaghosh1982@gmail.com) is with the Institute for Studies in Industrial Development, New Delhi.

criteria has one major weakness: the “original” investment in plant and machinery or equipment criteria does not offer a level playing field to newer entrants in the market. An older plant would show substantially depreciated investments in its book of accounts. This unit would qualify as a much smaller unit, while any new entrant that needs similar machines would have to make much higher investments. Thus, what would be a micro unit because of historical book value of investments, would be classified as a much larger unit if set up many years later. In this sense, the annual turnover-based criteria to define the sector might be much more meaningful. Also, calculating reinstated costs of machinery is a cumbersome and costly process, and entails physical verification, often requiring the assistance of a chartered accountant, and hence, additional transaction costs. Turnover can be far more transparent, particularly now that a large number of MSMEs are under the ambit of the GST.

The turnover criterion was criticised as it might provide an incentive to under-report and qualify as an MSME. Though, under-reporting investment size is also a possible route for a unit to remain classified as an MSME. So, a solution to under-reporting per se cannot be addressed through changes in the criteria for defining the MSMEs. Instead, that would require monitoring and inspection.

The new composite criterion has come in with lower turnover thresholds than what the 2018 amendment bill had proposed. However, it does not undo the problems that stem out of using the original size of investment in plant and machinery as a criterion.

Importantly, the composite definition has assumed a turnover of five times the investment for the three categories of enterprises. Such an assumption does not consider the varied nature of the MSMEs. For certain sectors, the gems and jewellery sector, for example, a huge turnover is achieved due to the very nature of the final product, even with a much smaller investment in plant and machinery. Similarly, a leather unit, which is a highly labour-intensive sector, can achieve a much higher turnover with low capital investments.

On the other hand, there are sectors that have higher capital investments but lower turnovers. These aspects would be of importance to certain industrial sectors and would require attention so that the sectors that are particularly important to employment generation do not fall out of the MSME ambit.

The employment criteria: The Annual Report 2018–19 released by the Ministry of MSMEs estimates that there are around 634 lakh unincorporated non-agricultural MSMEs based on the 73rd National Sample Survey (NSS) in 2015–16. About 31% units are in manufacturing, 36.3% in trade, 32.6% in other services, and a minuscule proportion in non-captive electricity generation and transmission. These provided a total employment of 11.1 crore in 2015–16 (with 32.5%, 34.8%, 32.6% and 0.01% in the four categories respectively). These are the “unorganised sector” enterprises alone, and excludes those MSMEs that would be registered under (i) Sections 2(m)(i) and 2(m)(ii) of the Factories Act, 1948; (ii) Companies Act, 1956 [together understood as the “organised manufacturing sector” where data is collected through the Annual Survey of Industries]; and (iii) the construction activities falling under Section F of National Industrial Classification (NIC) 2008.

The fourth census of MSMEs,² though dated, could provide a sense of proportion of the MSMEs in the organised (or registered) and the unorganised (or unregistered) sector, showing that the bulk of the MSMEs (more than 94%) would be in the unorganised sector (Table 2).

Table 2: Registered and Unregistered MSMEs, 2006–07 (lakh)

	Registered*	Unregistered	Total
Total number of enterprises	15.53 (5.95)	245.48 (94.05)	261.01 (100)
Manufacturing enterprises	10.35 (13.89)	64.18 (86.11)	74.53 (100)
Service enterprises	5.18 (2.78)	181.30 (97.22)	186.48 (100)

* For a discussion, see Berisha and Pula (2015).

Percentages in parenthesis are percentages of the row totals. Source: Fourth Census of MSMEs, 2006–07.

The organised and the unorganised sectors in India, however, are understood by an employment-based criterion, where registration under the Factories Act, 1948 (“the organised sector”) would

mean an employment of 10 workers or more if working with electricity and 20 workers or more if working without electricity.³

Thus, it should have been easy to define the MSMEs in India, too, as per the international norms, by the employment criterion. The stated reason for not applying this criterion to define MSMEs in India is the shifty nature of employment that the MSMEs generate, and the flexibility it has, to take care of its business cycles through non-permanent, casual, contractual, and/or daily piece-rate workers. The employment criterion is seen as a problematic measure to define MSMEs in India, due to the difficulties in counting this nature of non-permanent, highly flexible labour.

Neglect of Micro Enterprises

The NSS 73rd round found that 99.5% of these unorganised units are in the micro category of enterprises as per the erstwhile definition of MSMEs. The micro sector with 630.52 lakh estimated enterprises provides employment to 1,076.19 lakh persons, which accounts for around 97% of total employment in the unorganised sector (Table 3). It is thus important to gauge the needs and policy directions for the micro sector separately from the much larger SMEs. Except for lip service, so far, not much attention has been paid exclusively to the micro sector’s viability, working capital requirements, credit leveraging capacities, or its market access.

Table 3: Number of Enterprises and Employment under Each MSME Category (lakh)

	Number of Enterprises	Employment
Micro	630.52 (99.47)	1,076.19 (96.96)
Small	3.31 (0.52)	31.95 (2.88)
Medium	0.05 (0.01)	1.75 (0.16)
Total	633.88 (100)	1,109.89 (100)

Percentages in parenthesis are percentages of the column totals. Source: Annual Report, MSMEs based on 73rd NSS round, 2015–16.

The new composite criterion expands the micro category to an investment size of ₹1 crore (from the erstwhile ₹25 lakh) and a turnover of ₹5 crore. This essentially means that a number of units, which are much larger will now be clubbed together under the micro category itself. The possibility of a focused attention to this sector will be further diluted, both in terms of understanding the sector’s requirements, as well as the data collected.

This enlargement of the universe of the MSMEs is being implemented at a time when the global economy is at a standstill due to a pandemic that has left the Indian economy, and particularly the MSMEs, with an extremely uncertain future. While the government has claimed that the definitional changes respond to the fear of the MSMEs outgrowing the investment thresholds and thus losing benefits, the increased limits at this juncture only allow the bigger units to come under the MSMEs ambit to avail benefits.

COVID-19 and State Response

The central government, in recognition of the near complete disruption of economic activities of the MSMEs, has approved a set of measures to help the sector. These are in the form of collateral free automatic loans to the tune of ₹3 lakh crore over the next five months, fully guaranteed by the government; subordinate debt for stressed MSMEs and partial credit guarantee schemes; and funds to provide equity for MSMEs for stock exchange listing. While there is global recognition that this economic recession needs a demand-side fix, the government has essentially decided to infuse liquidity, a supply-side solution.

Limited number of beneficiaries: A small number of firms can actually reap the benefits from these schemes. The only firms eligible for collateral free loans at concessional rates are those that already have an outstanding loan. These 45 lakh firms, that is, only around 7% of the total estimated MSMEs, could borrow 20% of their outstanding credit as on February 2020 (*LiveMint* 2020).

Stock exchange listing for SMEs (such as the SME platform Emerge of the National Stock Exchange and Bombay Stock Exchange SME) are only available for the largest of the SMEs with only 190 and 299 listed companies on these platforms, respectively, as of 24 May 2019. While allocated funds for equity could be a measure to help medium-sized enterprises in normal times, in an emergency such as the present, these do not make much sense. Also, as mentioned before, the enlargement of the definition of MSMEs further marginalises the smaller enterprises and allows larger firms to come into the ambit of medium enterprises.

Similarly, while the announced ₹20,000 crore of subordinated debt for stressed MSMEs would provide some relief and be much appreciated in normal circumstances, there is the possibility of a greater number of firms accumulating stressed assets (non-performing assets) due to inadequate demand.

Effective demand: Firms that are in dire need of a fix to their demand problem⁴ are asked to borrow more, albeit on easier terms, to tide over the crisis. However, without adequate orders, firms would not be willing to borrow more (Purohit 2020). The finance minister has also acknowledged that firms were urging banks to not disburse sanctioned loans. Clearly, when millions of people have lost employment and purchasing power in the midst of a pandemic, firms would not want to produce more goods without effective demand. They are well aware that supply does not create its own demand, and hence would not be willing to borrow more. This causes a vicious circle, where lower production leads to a further reduction of employment opportunities and a further compression of demand.

Closing the Gaps

An important announcement that could actually help the MSMEs right away is the repayment of dues owed to them by the central government and the private sector that are to the tune of ₹5 lakh crore (Magazine and Sasi 2020). Instead of loans, the MSMEs that suffer from a dearth of working capital as well as delayed payments would be benefited if their dues are paid promptly. On 13 May 2020, the government promised to pay the MSMEs their dues within a span of 45 days. Along with this, the GST refunds need to be expedited. These measures would make the units *atmanirbhar* (self-dependent).

A public provision for at least a partial wage guarantee for MSME workers for the period of lockdown and for three months after the lockdown could help the employers and generate incomes. Without adequate orders, units will produce less and employ fewer people, making some form of government-backed wage guarantee important in this situation. The Supreme Court has already ordered that

the units that do not pay full wages to their workers during the lockdown cannot be prosecuted (Rautray 2020). To be going out of business (particularly for small businesses) and being prosecuted hardly seems fair. Also, a huge majority of MSMEs employ contractual, piece-rate paid labour. It would not be difficult for the employers to decline wages as workers would not have adequate papers to show an association with the enterprise. A wage guarantee programme becomes important in this context.

A bailout from paying electricity charges at least partially for a certain period of time would greatly help the MSMEs. Only infusing liquidity would not help small businesses and could lead to a further deterioration of the twin balance sheet crisis that is sure to emerge if demand does not revive.

NOTES

- https://www.prsindia.org/sites/default/files/bill_files/The%20Micro%2C%20Small%20and%20Medium%20Enterprises%20Development%20%28Amendment%29%20Bill%2C%202018%20Bill%20Text.pdf.
- The fourth census for MSMEs was carried out in 2006–07 after the act was passed, and the next census is long-awaited. The census includes registered enterprises under the District Industries Centre of state and union territories, industries under Sections 2(m)(i) and 2(m)(ii) of the Factories Act, as well as unregistered enterprises.
- There is, however, ample evidence of non-compliance to the Factories Act, using the available NSS data on unorganised enterprises (Chatterjee and Kanbur 2015).
- The NSS 73rd round survey shows that 39% of firms list the lack of demand to be their greatest problem. This got further exuberated after the twin shocks of demonetisation and GST. The situation has gotten much worse after the lockdown following the pandemic.

REFERENCES

- Berisha, G and J S Pula (2015): "Defining Small and Medium Enterprises: A Critical Review," *Academic Journal of Business, Administration, Law and Social Sciences*, Vol 1, No 1.
- Chatterjee, U and R Kanbur (2015): "Non-compliance with India's Factories Act: Magnitude and Patterns," *International Labour Review*, Vol 153, No 3, pp 393–412.
- LiveMint* (2020): "Full Text of FM Sitharaman's Press-meet on Stimulus Package," 13 May, <https://www.livemint.com/news/india/full-text-of-fm-sitharaman-s-press-meet-on-stimulus-package-11589375936260.html>.
- Magazine, A and A Sasi (2020): "₹3 Lakh Crore Relief Package for MSMEs but Governments, Private Firms Owe Them More," *Indian Express*, 15 May.
- Purohit, D (2020): "Demand First, Please, and Then Loans," *Telegraph*, 14 May.
- Rautray, S (2020): "SC Says No Action for Now against Employers Who Do Not Pay Full Wages during Lockdown," *Economic Times*, 16 May.
- Sinha, S (2018): "Strong Opposition Pushes MSME Bill to Backburner," *Hindu BusinessLine*, 21 September.

A Gender-responsive Policy and Fiscal Response to the Pandemic

JASHODHARA DASGUPTA, SONA MITRA

It is important to include women and lesbian, gay, bisexual, transgender, queer, intersex+ persons in the monitoring and accountability mechanisms of the government. A policy that is based on gender concerns and a gender-sensitive fiscal response to the ongoing health crisis as well as the period after that is the need of the hour.

The Government of India responded to the crisis of the COVID-19 pandemic by closing its borders and gradually putting in restrictions on citizen movement until 24 March 2020 when the entire country was put under complete lockdown within four hours' notice. This was for three weeks to begin with and extended on 14 April to a total of 40 days. A couple of days later, on 26 March 2020, the union finance minister announced a set of mitigation measures from the union government to support the people of the country who had been affected. Wenham et al (2020) have cautioned how important it is that within our response to a crisis, we address patriarchal norms, roles, and relations so that we do not end up reproducing or perpetuating gender and health inequalities and reinforcing economic deprivation of women. The Feminist Policy Collective (FPC), a platform of feminist economists and gender activists in India, sees the current situation as an opportunity to promote a gender-responsive policy framework. We base our analysis on Herten-Crabb et al (2020), who define a feminist economic agenda as one that interrogates power dynamics and peoples' relative access to resources, and examines how power relations are interconnected with gender inequality and the economy.

Gender Unequal Impacts

Previous research by scholars studying the impact of epidemics of the last decade, namely the severe acute respiratory syndrome, Ebola and others, on women acknowledge that epidemics have gender unequal impacts, and the policy and community responses to such epidemics also affect differently on men, women and other genders. This is as much a consequence of gendered roles and existing power relations as other social divisions of caste, class, location, religion and status. In the immediate term, women

are affected as healthcare workers at the front line, as users of health services and as economic agents in the larger space of livelihoods, and as citizens in the domain of other economic and civil rights. Here, we attempt a gendered analysis of how the economic and public policy response to the pandemic has addressed the needs of half our population, and suggest immediate and long-term ways forward. There has been a slew of policy responses by most state governments to the emergent crisis, but we limit ourselves here to examining the gender implications of the responses of the union government.

The first policy response was to enforce the practice of physical "distancing" through physical lockdowns of cities and specific geographies. At this time, transportation, markets, jobs and services are all blocked, food supplies are uncertain and paid work is unavailable, supply and production chains are disrupted and further held up by overzealous or corrupt policemen. Several researchers, activists, journalists and United Nations (UN) agencies have pointed out that the brunt of this is being borne by the most disadvantaged and vulnerable, including women, girls and transpersons, especially the poor, without documentation or social protection, informal sector and landless workers and those lower in caste hierarchies, minorities, migrants and internally displaced communities, people with illness or disability, and so on.

We observe that the lockdown has gender unequal effects in terms of enhanced workload and reduced economic opportunities, reduced health and nutrition outcomes, reduced health facilities for pregnant women and infants, and increased incidence of gender-based violence. We emphasise the need to acknowledge this gender-differentiated, disproportionate impact on women as front-line responders providing paid and unpaid care to those affected, as those pulling together families and households, as economic agents forming the foundation of every level of the economy, paid, underpaid and unpaid.

For example, more than 85% of health workers are women working as nurses

With contributions from Aasha Kapur Mehta, Amita Pitre, Fattheya Khan, Renu Khanna, Ritu Dewan, Sarojini Ganju Thakur, Seema Kulkarni, Sejal Dand, Subhalakshmi Nandi, Suneeta Dhar, Udita Chatterjee, and Vibhuti Patel.

Jashodhara Dasgupta (dasgupta.jashodhara@gmail.com) is senior advisor at SAHAYOG. Sona Mitra (sona.mitra@iwwage.org) is principal economist at Initiative for What Works to Advance Women and Girls in the Economy. They are co-convenors of the Feminist Policy Collective, a group that works on transformative financing towards gender equality.

or midwives handling patients (PLFS 2017–18), and in urban hospital settings, it has already emerged that ingrained medical hierarchies may be preventing them from accessing personal protective equipment (PPE). Enormous economic hardships are faced by 94% of women workers¹ who are part of the informal sector, as daily-wage agricultural labourers or working at construction sites, or those self-employed micro-entrepreneurs or engaged in home-based production. In cities, this translates into catastrophic wage losses for those without formal employment contracts, including millions of women migrants who are self-employed, casual workers, domestic workers, garment workers, unskilled labourers, and part of the gig economy. The cancellation of all forms of public transport and suspension of regular public services caused them untold hardships, especially for the most vulnerable, including pregnant or breastfeeding women, elderly women, women with disabilities, homeless and destitute women, women and girls in custody and women in sex-work. Transwomen are alarmingly at risk now as most of them depend on sex work or blessing/begging, which is impossible during the lockdown.

Within homes, women and girls who already do more than six times unpaid work than men, now shoulder the responsibilities of subsistence at times of crisis and scarcity, and absorb the additional roles of feeding and caring for children and all care work for quarantined, elderly, sick or disabled family members. The closure of schools and day-care facilities further exacerbates the burden of work on women and girls. The incidence of gender-based abuse and violence (GBV) is a “shadow pandemic,” as highlighted by heads of UN Women and the World Health Organization (WHO). Women, girls and transpersons will experience higher risks of violence exacerbated by stress, enhanced workloads and scarce resources, including physical abuse, sexual and reproductive violence, and mental abuse. Given the patriarchal controls on women and the surveillance of their families, many women and girls may not have access to a mobile phone, computer, or internet, therefore, reporting

gender-based violence will be difficult. The close monitoring by the perpetrator and other family members and zero mobility situation makes it even more difficult to reach out for help beyond the household.

The finance minister’s announcement referred to a variety of beneficiaries, especially those who will likely be the hardest hit by the economic fallout of the lockdown measures, including food ration recipients, farmers, women in self-help groups (SHGs), Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) workers, construction workers and vulnerable groups, such as widows, elderly people and those with disabilities. However, a closer reading of the components of the Pradhan Mantri Gareeb Kalyan Yojana (PMGKY) cash transfer announcement reveals that many of these are airbrushed schemes already in operation, and the actual numbers of existing beneficiaries have also been inexplicably reduced, such as the routine Pradhan Mantri Kisan Samman Nidhi (PM KISAN) Yojana instalments, the benefits under the Building and Other Construction Workers’ (BOCW) welfare funds² or the ₹20 increase against inflation in MGNREGA wages. The collateral-free loans to SHGs or withdrawals from Employees’ Provident Fund (EPF) are not exactly “cash transfers” as they will increase the fiscal liabilities of the beneficiary. The special provisions of cooking gas cylinders free of cost for three months for women who benefit from the Ujjwala scheme could be of great help, but it is doubtful whether the supply chains can be kept running to reach those 80 million households on time.

It is our observation that the entire package announced by the government misses on crucial aspects being negotiated by women, especially in the context of unpaid work within households, managing food scarcity and undocumented or unregistered women workers in the informal sector. Given the high proportion of women’s engagement in the informal sector, universalisation seems to be most fit for this purpose, since targeting and identification of “appropriate beneficiaries” is a meaningless exercise, as this invariably excludes the most vulnerable in

the absence of the necessary documents and proof of address. The most appropriate actions now would be, in addition to immediate emergency relief, to provide universal food/nutritional security, universal emergency cash transfer, protection from gender-based violence and universal health coverage.

Recommendations for Policy

Beyond the emergency relief, it is possible that the union government may consider a second budget, or a revision of the PMGKY given the enormity of the humanitarian tragedy. We propose a set of five immediate actions with additional suggestions for medium- to long-term policy to ensure that the state response to the pandemic can actually move ahead with redressing some of the prominent gendered impacts of the crisis.

Address imminent hunger: Universal food security is a critical issue for women in India where around 45% of all women are already underweight and 53% are anaemic (IPS and ICF 2017: 330, 333). The looming prospect of hunger and starvation would be unacceptable in a country with Food Corporation of India stocks of over 70 million tonnes of food-grains (which will cross 100 million tonnes once rabi harvests come in). The proposed food security scheme (Pradhan Mantri Gareeb Kalyan Anna Yojana) leaves out those vulnerable groups who cannot produce ration cards and get excluded. The simplest in administrative terms would be to have universally accessible and adequate food for all, through rapid and systematic distribution in public distribution system outlets or *anganwadi* centres without leakages, and putting aside beneficiary identification, conditions and targeting during this crisis. The quantities so far announced by the finance minister are insufficient; 5 kilogram (kg) of cereals and 1 kg of dal given free in a month will not go very far within larger households with migrant men returning, and so women and girls will inevitably have to make do with less nutrition.

A larger basket of free food supplies is needed for every person each month, including a minimum of 10 kgs of good quality cereals, at least a litre of cooking

oil, at least 2 kg of additional protein (dal/lentil and soya chunks) and, until the lockdown is completely lifted, some eggs and basic vegetables (potatoes and onions). In addition, decentralised community kitchens at panchayat/hamlet and anganwadi centres are urgently needed so that the elderly or disabled, pregnant and lactating mothers, and young children as well as malnourished infants can get nutritious hot-cooked food close to their homes. Food items like bananas, milk and eggs may be enhanced for tuberculosis patients or those who need additional supplementary feeding, the most vulnerable such as malnourished children, pregnant and lactating women, and school children who depended heavily on school mid-day meals.

Address loss of incomes: An equally urgent issue is that of extreme poverty, given the total economic disruption, and a universal emergency cash transfer scheme immediately providing a minimum amount³ for low-income families can support them to survive with dignity and mitigate the massive unemployment. The first list could include all those with a ration card, Jan Dhan Yojana (JDY) account holders, active MGNREGA job cards (76 million), PM KISAN registered farmers (140 million) and around 40 million BOCW or other labour board registered workers. The Aadhaar-seeded bank account will avert duplication, and the amount should ideally be calculated according to minimum wage based on losses⁴ since the lockdown, as they were prevented from accessing their regular incomes. For those registered pensioners with disability, age, transgender or widowed status (20 million women), the meagre ex gratia amount of ₹333 per month should be accordingly revised. For all pregnant and lactating women (approximately 35–40 million), the Pradhan Mantri Matru Vandana Yojana should disburse the entire maternity benefits amount (₹6,000) as mandated by the law (NFSA 2013) in one instalment without any disqualifying conditions.

Nonetheless, this first list would imply widespread exclusions; therefore, urgent efforts must be made to reach out to

other unregistered and undocumented individuals and families. The PM KISAN beneficiaries already excluded agricultural labourers (60 million women) or tenant farmers, affecting women listed as unpaid helpers on family farms without land title documentation. Women informal workers who make up almost half the BOCW in India are mostly unregistered. Likewise, the total number of transgender persons who are registered for these elderly/widowed/disabled benefits is clearly underestimated at 1,919 transgender persons for 2019–20. The transfer into JDY accounts first requires that 54% of inactive JDY accounts (Demirguc-Kunt et al 2018) must be activated. The 37 million women who have accessed Micro Units Development and Refinance Agency Bank (MUDRA) loans in the fiscal year 2018–19 (MUDRA annual report 2018–19; MSME 2019) also need a one-year moratorium to be announced on their loans, similar to what the Reserve Bank of India has already done for commercial loans in general.

Beyond the emergency cash transfer, the post-lockdown resumption of economic activities needs greater recognition of women as economic agents. MGNREGA is a promising option since women took up a 55% share of the workdays generated in 2019–20 (with pending wages still unpaid), but once MGNREGA work resumes, the ceiling should be increased to 150–200 days, while the approved work should be expanded to include locally appropriate situations for which labour is required (such as wage support to work on women's own farms). Crucially, post-lockdown measures must immediately reboot the farm procurement systems and the supply chains. Women in small-scale businesses will be struggling to maintain the broken supply

chains of the raw material supplies and market links, which need priority attention now. A large number of “women farmers” would require credit and other farming inputs as the kharif season comes close, and actively seeking support in accessing the minimum support price (MSP) scheme to enable the selling of their produce. Women migrants often work in the informal sector and may find it difficult to return to work in the post-COVID-19 scenario. Therefore, the state needs to facilitate women's re-entry into these sectors, with proper remunerations and massive drives for registration and universal social security. The lockdown messaging emphasised ways of “working from home,” and this can be now institutionalised to ensure employee options for flexi-timing, especially for pregnancy and parental care responsibilities.

Access and protection: The pandemic has exposed the weaknesses of a notoriously underfunded public health system and the greed of the private players. Access to free testing must be made universally available and accessible, so that early case detection can improve. The insurance cover announced for healthcare workers (86% of whom are women) must be preceded by addressing the very grim challenges they face, given the overall scarcity of essential items like PPE, social discrimination as “infective agents” and workplace hierarchies that discriminate against women workers. Women health staff who need to be quarantined or remain on duty must be provided with adequate and hygienic accommodation equal to male doctors, so that they are not exposed to dangers of cross-infection. In community settings, hundreds of thousands of underpaid

Licensing by EPW

EPW has licensed its material for non-exclusive use to only the following content aggregators—Contify, Factiva, Jstor and Magzter.

Contify currently disseminates EPW content to LexisNexis, Thomson Reuters, Securities.com, Gale Cengage, Acquiremedia News Bank and ProQuest.

Factiva and Jstor have EPW content on their databases for their registered users, Magzter on its subscriber-based portal.

EPW does not have licensing arrangements with any other aggregators.

EPW requests readers to let it know if they see EPW material on any unlicensed aggregator. EPW needs the support of its readers to remain financially viable.

volunteers like the accredited social health activist (ASHA) and anganwadi workers are spreading awareness and scanning possible cases with insufficient training and inadequate protection; the state has recently covered them through insurance but must institutionalise regular and sufficient compensation for their services.

The lockdown and cessation of regular reproductive health services (including ambulances) for women and other vulnerable groups has enormous impact on pregnant women, especially those who need critical care during labour or for early detection of pregnancy complications or post-miscarriage complications. Women and girls urgently need health clinics to resume for routine services and to access contraceptives to prevent unwanted pregnancy, especially with return of migrants. Many other serious illnesses and chronic diseases need constant treatment and medicines, such as cancer, HIV, kidney failure and tuberculosis; seriously sick people cannot be prevented from accessing care; a fact that has to be conveyed to those engaged in policing the lockdown with egregious violence. Quarantine, distancing and consequent isolation are also leading to neglected mental health issues and depression.

In order to tackle the long-term impact of COVID-19, we must recognise that the burden of other morbidities will be exacerbated, and hence, an expansion of healthcare facilities with universal coverage for both COVID-19 and non-COVID-19 patients from the next year would be essential to ensure a healthy population. It can be done through an amalgamation of the different publicly funded health systems in the country (Central Government Health Scheme, Employees' State Insurance Scheme, the railways and general public health system) and by increasing spending on healthcare by a substantial amount (at least 3% of the gross domestic product) in the current and the following fiscal years.

Tackling gender-based violence: While the finance minister was silent on this most gendered impact of the crisis and lockdown, it is laudable that the government

has subsequently recognised and taken up the issue of gender-based violence (GBV). However, the government needs to declare a response to gender-based violence as essential and emergency service and make the police aware about this. Along with other health messaging, information about hotlines and safe shelter homes should be widely disseminated through state and media channels. All advisories to combat COVID-19 need to include measures undertaken to address gender-based violence in this complex situation. Since reporting is difficult, community support systems have to be set up everywhere for early detection and immediate response in collaboration with front-line grassroots workers, women's and transpersons' organisations and law enforcement agencies. The local auxiliary nurse midwives, anganwadi, ASHAs, village councils and development committees, council heads and block officers must be given special instructions to respond and extend immediate help to any aggrieved woman.

A range of crucial support services must be made available with adequate budgetary allocation from the Nirbhaya Fund, including activating confidential helplines, counselling, safe shelters, one-stop centres, mental health services and legal aid 24/7. Transwomen, women with disability, migrant or homeless women are especially vulnerable, and special protocols are required to ensure their access to services. Victims/survivors must also be supported to access comprehensive sexual reproductive and health services during the lockdown, particularly since they suffer injuries as a result of the violence they face, including access to emergency contraception, maternal health services, safe abortion, etc. Close collaboration with civil society organisations would go a long way in ensuring gender-sensitive response and support services. Partnerships with women's and transpersons' groups is crucial in this period as they are in close contact with survivors and can extend support to the government.

Beyond the emergency response for the shadow pandemic, the government, in partnership with corporate social

responsibility and economic forums, needs to ensure that victims/survivors can be provided support for independent livelihoods, proper wages, and loans for self-employed women to restart their work, along with skill training. Schools need to ensure zero tolerance and undertake educational programmes to ensure violence-free spaces for all children. A common pan-India helpline must be set up for survivors of domestic violence and sexual abuse. Data should be compiled across the country on domestic violence and other violence cases, including from the states, and shared publicly to enable shaping further responses. A special facility must be available under the Nirbhaya Fund for providing grants to women's groups, for it is important to invest resources into local community women's organisations, build awareness and ensure service provision to survivors of violence over the long term (United Nations 2020).

Leadership and accountability: We emphasise that the pandemic is amplifying the existing gender inequalities and the intersecting forms of disadvantage faced by women, girls and transpersons who are negotiating crucial aspects of the current crisis in India. However, we note that women's voices and priorities are not shaping the policy trajectory; there has been no public effort to reach out to include the concerns, perspectives and suggestions of women or transpersons, and no available gender disaggregated data. We observe that even as women are at the front line facing the epidemic, women's organisations or women workers, including health workers, are not mandatorily included in any policy-making platforms or any relief and rehabilitation committees. The 11 empowered groups that have been set up to tackle the pandemic in India barely include any women, beyond a scattering of women bureaucrats.

In terms of accountability to women, girls and transpersons, we also recommend that the government immediately disaggregate available data to provide transparent information on the gendered impacts of the pandemic. It is critical to share gender disaggregated information

not just on indicators of COVID-19 infections but, in addition, data on other important gendered economic effects of the lockdown period should be generated and tracked, such as unpaid work, domestic violence, labour markets, livelihood and income generation, as well as enabling access to piped water, liquefied petroleum gas, digital technologies, and relief measures, and so on. The data must record how a pandemic severely impacts women who are especially vulnerable, including pregnant or breastfeeding women, elderly women, women with disabilities, homeless women or those in custody, women in sex work and transwomen.

To conclude, women cannot merely be instruments of state action; policies must enhance their agency and ability to take control over their circumstances. We call for equal space for women's and lesbian, gay, bisexual, transgender, queer and intersex+ (LGBTQI+) leadership at every level, as well as on consultative and advisory platforms. There must be equal representation of women and LGBTQI+ while developing gender-responsive

policies in the post-COVID-19 scenario. Women's and LGBTQI+ organisations must be part of monitoring and accountability mechanisms. Gender-responsive and data-driven dynamic policy responses will be the most effective in terms of delivering outcomes and formulating the gender-responsive budgets in order to adapt to emerging requirements in the post-COVID-19 world.

NOTES

- 1 As per Census 2011, the total number of female workers in India is 149.8 million and female workers in rural and urban areas are 121.8 and 28.0 million, respectively. Out of total 149.8 million female workers, 35.9 million females are working as cultivators and another 61.5 million are agricultural labourers. Of the remaining female workers, 8.5 million are in household industry and 43.7 million are classified as other workers.
- 2 The BOCWs have fought a case for 12 years in the Supreme Court to obtain orders that BOCW Cess must be collected and spent on their social security and welfare.
- 3 In the *Economic Survey 2016–17*, then the Chief Economic Advisor (CEA) Arvind Subramanian proposed that at ₹12,000 per month, it would wipe out poverty (based on older 2011–12 estimates). From PLFS data, it is estimated that 81.7% of people in the country earn less than 18,000 per month (68% earn less than ₹12,000 per month), which is even less than the minimum wage recommended by Seventh Pay Commission.

- 4 https://labour.gov.in/sites/default/files/Committee_on_Determination_of_Methodology.pdf. The compensation should be calculated as wage loss; using calculations from Ministry of Labour and Employment's recent expert group report on wage determination, maybe ₹375 per day as minimum wage, as proposed by experts and the ministry.

REFERENCES

- Demircuc-Kunt, Asli, Leora Klapper, Dorothe Singer, Saniya Ansar and Jake Hess (2018): *The Global Findex Database 2017: Measuring Financial Inclusion and the Fintech Revolution*, World Bank, Washington, DC.
- Herten-Crabb, Asha and Sara E Davies (2020): "Why WHO Needs a Feminist Economic Agenda," *Lancet*, Vol 395, No 10227, pp 1018–20, [https://doi.org/10.1016/S0140-6736\(20\)30110-0](https://doi.org/10.1016/S0140-6736(20)30110-0).
- IIPS and ICF (2017): "National Family Health Survey (NFHS-4), 2015–16: India," International Institute for Population Sciences, Mumbai.
- MSME (2019): "Annual Report, Pradhan Mantri Mudra Yojana 2018–19," Ministry of Micro, Small and Medium Enterprises, Government of India.
- PLFS (2019): "Annual Report, Periodic Labour Force Survey, July 2017–June 2018," Ministry of Statistics and Programme Implementation, Government of India.
- United Nations (2020): "Policy Brief: The Impact of Covid-19 on Women," 9 April, <https://www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2020/policy-brief-the-impact-of-covid-19-on-women-en.pdf?la=en&vs=1406>.
- Wenham, Clare, Julia Smith and Rosemary Morgan (2020): "COVID-19: The Gendered Impacts of the Outbreak," *Lancet*, Vol 395, No 1022, pp 846–48, [https://doi.org/10.1016/S0140-6736\(20\)30526-2](https://doi.org/10.1016/S0140-6736(20)30526-2).

Appeal for Donations to the Corpus of the Sameeksha Trust

This is an appeal to the subscribers, contributors, advertisers and well-wishers of *Economic and Political Weekly (EPW)*, published by Sameeksha Trust, a public charitable trust registered with the office of the Charity Commissioner, Mumbai, India. *EPW* has completed 50 years of publications. We have become what we are at present because of your support and goodwill. Week after week, *EPW* publishes at least 80,000 words by a wide range of writers: veteran and young scholars, senior journalists and public commentators, political and social activists; elected representatives of the people, policy practitioners, and concerned citizens.

In order to meet new editorial challenges, confront technological changes, provide adequate remuneration to our employees and contributors, enhance our reputation and grow in stature and scale while zealously maintaining our editorial independence and autonomy, we seek your support. Given the growing uncertainty in flows of advertising income and the fast-changing nature of publishing, it is our endeavour to increase interest income by enlarging the corpus of the Sameeksha Trust. We seek active support from both institutions and individuals in this endeavour.

Do donate to the corpus of the Sameeksha Trust. The Sameeksha Trust, which owns *EPW* and the **EPW Research Foundation**, is a public charitable trust registered under the Bombay Public Trusts Act, 1950. Donations to Sameeksha Trust enjoy tax exemption under Section 80G of the Income Tax Act, 1961. We welcome donations to the corpus not less than Rs 1,000 per individual. Donations in foreign currency and donations from political parties are not accepted. We welcome donations from non-resident Indians (NRIs) and persons of Indian origin (PIOs), but only in Indian currency and through regular banking channels. All donors must provide details of their Permanent Account Number (PAN) and a covering letter, stating that this donation is to the corpus of the Sameeksha Trust. Please note that a covering letter and photocopy of the PAN card is mandatory.

If you need more information on how to support us, please email us at edit@epw.in and we shall be happy to provide you with details.

— From the Trustees of Sameeksha Trust and the Editor of *EPW*

Role of the Private Sector in Escalating Medical Inflation

Evidence from 75th Round NSS Data

PRITAM DATTA, CHETANA CHAUDHURI

The dominance of the private sector as the provider of healthcare induces inflationary pressure on the household budget and potentially on the government health budget through the insurance route. Analysing 75th round NSS data, it is found that treatment costs in private commercial hospitals as well as in private charitable hospitals are manifold compared to public facilities.

The Union Budget 2020–21 emphasised greater reliance on the private sector for the provision of healthcare and proposed the setting up of new hospitals and attaching certain medical colleges to existing district hospitals in the public–private partnership (PPP) mode. The establishment of new hospitals in the PPP mode was announced to run the Pradhan Mantri Jan Arogya Yojana (PMJAY) in tier-2 and tier-3 cities without empanelled hospitals. There is no doubt that the private sector is gradually being put in the driver's seat in Indian economy and the health sector is not an exception. India is also one among countries with the lowest share of healthcare spending in gross domestic product (GDP).

According to the latest available National Health Account (NHA 2015–16), overall health spending in the country slipped from 4.2% in 2004–05 to 3.8% of nominal GDP. Public spending on healthcare is historically low in India, accruing to only 30.6% of overall health spending of the country (NHA 2015–16). The government roughly spends ₹1,259 per capita to provide healthcare to its citizens, which is equivalent to ₹105 per month or ₹3.5 per day per person in India, less than the cost of a strip of paracetamol containing 10 tablets. As a result, a household needs to bear the colossal share of health spending that often leads to impoverishment. Moreover, the existence of financial barriers associated with meeting the “out-of-pocket (OOP) expenditure” causes some difficulties in need-based access to healthcare, especially to disadvantaged and at-risk population (Yazdi-Feyzabadi et al 2019). Universal health coverage (UHC) by 2030, one of the sustainable development goals (SDGs) of the United Nations (UN), was adopted by all UN member states in 2015. Under the UHC, all people should have

access to necessary health services without any financial constraints while receiving the services (WHO 2010). India rolled out the policy of UHC in the Twelfth Five Year Plan (2012–17). But even before this, the central and state governments took several initiatives to upscale public expenditure on healthcare. The National Rural Health Mission (NRHM) was a flagship programme launched in 2005 to provide accessible, affordable and quality healthcare services to the rural population, especially the vulnerable groups. The National Urban Health Mission (NUHM) was introduced in 2013 and was clubbed with the NRHM under the common banner of National Health Mission (NHM). The objectives of these missions were to scale up and strengthen the existing healthcare service delivery system in rural and urban areas. But, gradually the central as well as many state governments entered the bandwagon of government-sponsored health insurance schemes (GSHIS).

Ayushman Bharat or PMJAY, the flagship insurance-based healthcare programme initiated by the central government, aims to provide a coverage of ₹5 lakh per family per year to about 100 million poor and vulnerable families (approximately 500 million beneficiaries). The insurance coverage is targeted for hospitalisation at the secondary and tertiary level care. The last two budgets presented by the union government put a lot of emphasis on spending on schemes like Ayushman Bharat, but state-sponsored schemes like the NRHM or NURM did not witness any significant increase in budget allocation. Clearly, the government is shifting its focus from the state-based social security system for health to the insurance-based mechanism. In the absence of an adequate and efficient public health sector, the reliance on the public-funded private delivery system is increasing and is causing a financial burden not only on the household but also has the potential to put pressure on the government's health budget that is funding the health expenditure through the insurance route for treatments undergone in the private sector. Using the National Sample Survey (NSS) 75th round survey data on “Social Consumption of Health” in India for the

Pritam Datta (pritamdatt@gmail.com) is with the National Institute of Public Finance and Policy, New Delhi. Chetana Chaudhuri (chetana.chaudhuri2@gmail.com) is with the Public Health Foundation of India, Gurugram.

year 2017–18, the role of the private sector in leading medical inflation is explored, and the underlying factors causing the divergence in the cost of treatment in public and private sectors are highlighted.

Data and Methodology

The National Statistics Office (NSO), under the Ministry of Statistics and Programme Implementation (MOSPI), has conducted the survey on household social consumption related to health during the period July 2017 to June 2018 as a part of 75th round of NSS. Schedule 25.0 has been used to collect information on the social consumption of health and morbidity profile of the country through a periodically conducted nationwide household survey.

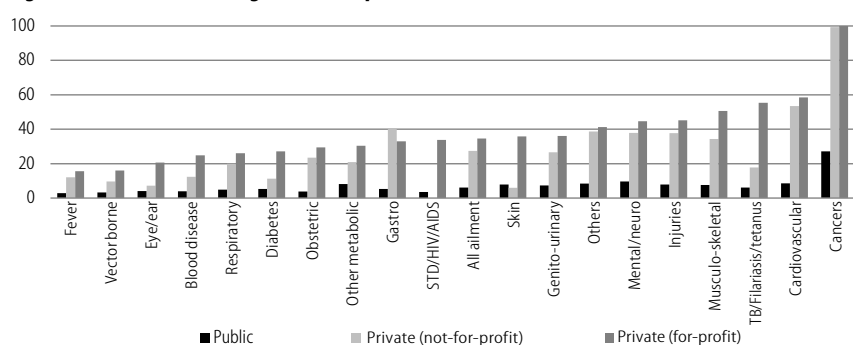
The 75th round of the NSS (2017–18), the latest available data, provides information on OOP expenditure for availing inpatient and outpatient healthcare in different types of health facilities (public or private, etc) for different self-reported morbidity profiles. This is a nationally representative survey covering 5,55,113 individuals (3,25,883 in rural and 2,29,230 in urban areas) from 1,13,822 households (64,552 in rural and 49,270 in urban areas) during July 2017 to June 2018. From rural areas, 8,077 randomly selected villages and in urban areas, 6,181 randomly selected urban blocks were taken as the first stage units. Stratified multistage sampling method was used in the survey design. The detailed information about the sampling and survey design can be found in the survey report *Key Indicators of Social Consumption in India: Health* (NSO 2019).

The objective of this study is to analyse the gap between the inpatient average costs of hospitalisation (that is, inpatient care) in public and private sector (for example, not-for-profit charitable trust or non-governmental organisation [NGO]-run hospitals, private for-profit hospitals) except for childbirth, in detail.

Results

As a consequence of the historically low budgeting for public health,¹ the public health system infrastructure is neither sufficient in terms of the number of staff

Figure 1: Ailment-wise Average Cost of Hospitalisation in Public and Private Facilities (₹ thousand)



Source: Authors' estimation, NSS 75th round unit level survey data on Social Consumption of Health.

nor in terms of institutions (hospitals, etc). The average number of available hospital beds in government hospital per thousand population is 0.5 in India.² The private sector significantly coexists parallel to the public sector in India. But, given the coverage and reach of public health delivery system, only 42% of total inpatient cases are treated in the public sector. Private sector (for-profit) treats 55% of inpatient cases in India, whereas private not-for-profit (charitable and NGO-run hospitals) providers serve 3% of inpatient cases in India (Figure 1). In urban areas, for 61% of hospitalisation cases, people rely on private (for-profit) commercial hospitals; public sector serves only 35% of hospitalisation cases in urban areas. Even in rural areas more than half of the hospitalisation cases are served in private (for-profit) hospitals (52%). In the case of outpatient care, 69% of episodes are treated in private sector while the share of public sector (30%) and charitable/trust/NGO (1%) together is only 31%. Since insurance is largely provided against inpatient hospitalisation, the discussion is limited to inpatient care.

There is no doubt that the private healthcare sector is playing an increasingly important role in the Indian health system. But as we all know, the healthcare market is characterised by a high degree of uncertainty (Arrow 1978). The healthcare provider may influence the patient's demand for care, especially when such demand is particularly associated with a fee-for-service payment and the provider has a clear incentive in linking service volume to profits. The profit motive is intensely diffused in the private health delivery system and it is often found to be more costly than

public providers, even for the identical type of ailment. The average hospitalisation cost for availing inpatient care in private not-for-profit hospitals and private for-profit hospitals is 4.5 and 5.7 times more than public hospitals (Table 1). Treatment cost or medical expenditure³ is 74% of total hospitalisation cost in public hospitals, whereas in private charitable and private for-profit hospitals these are 89% and 92%, respectively. The average cost of treatment per episode (excluding transport and other non-medical expenditure) is ₹4,452 in the public sector, while the same for not-for-profit private hospitals is ₹24,452 and for for-profit private hospital, it is ₹31,845.⁴ In other words, the average cost of treatment per episode in the not-for-profit private sector is 5.5 times higher than that of public sector, whereas the same for the for-profit private sector, the mark-up is 7.2 times.

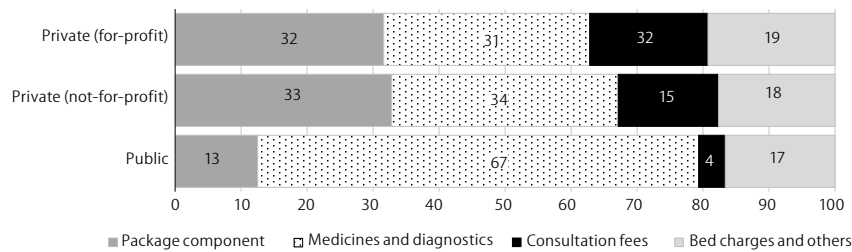
Figure 1 shows the ailment-wise average annual cost of hospitalisation in public and private sector. It is clear from Figure 1

Table 1: Item-wise Average (Per Episode) Household Expenditure for Hospitalisation (₹) in Public and Private Facilities

Expenditure Components	Public	Private (Non-profit)	Private (For-profit)
Package component	557.2	8,023.0	10,060.6
Consultancy fees	179.4	3,717.9	5,710.2
Medicines	2,184.2	5,710.9	6,903.0
Diagnostics	791.1	2,686.2	3,037.6
Bed charges	127.7	2,110.4	3,690.0
Other treatment costs	612.3	2,204.1	2,444.1
Treatment cost	4,451.9	24,452.4	31,845.4
Transport	529.1	881.6	847.8
Other non-medical expenditure	1,068.4	2,009.7	1,858.1
Total hospitalisation	6,049.4	27,343.8	34,551.4

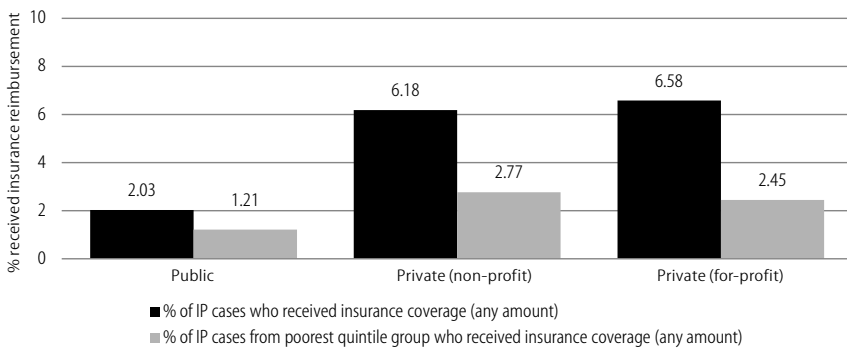
Consultation fees includes doctor's and/or surgeon's fee, including expenses on hospital staff and other specialists. Source: Authors' estimation, NSS 75th round unit level survey data on Social Consumption of Health.

Figure 2: Composition of Treatment Cost per Hospitalisation Case at Public and Private Sector (%)



Consultation fees include doctor's and/or surgeon's fee including expenses on hospital staff and other specialists.
 Source: Authors' estimation, NSS 75th round unit level survey data on Social Consumption of Health.

Figure 3: Share (%) of Inpatient Cases That Received Insurance Reimbursement (all vis-à-vis poorest quintile)



Source: Authors' estimation, NSS 75th round unit level survey data on Social Consumption of Health.

that for all ailment groups, the average cost of hospitalisation in the private sector is more costly than the public sector. For HIV (or AIDS) and other sexually transmitted diseases (STD), tuberculosis (TB), Filariasis, tetanus, etc, and obstetric diseases, the average cost of hospitalisation in the private sector is more than 10 times that in the public sector.

Now let us look into the details of the cost that is being charged for the treatment in hospitals. Since the data is from the consumer's side, we are including it as a category of cost being incurred. Several treatment "packages" are common nowadays in almost all private hospitals. These include specific medical procedures (surgical and non-surgical), inclusive of different items like operation theatre charges, operation theatre consumables, medicines, doctor's fees, bed charges, etc. The package component holds the largest share in the medical expenditure incurred in private (for-profit) hospitals, followed by expenditure on medicines and diagnostic tests (Figure 2). Whereas in public hospitals, the largest part of medical expenditure per hospitalisation incurred by households is on medicines and diagnostic tests (67%). Consultation fees hold 4% share in total medical expenditure per hospitalisation case in

the public sector, whereas in private charitable (not-for-profit) and private (for-profit) hospitals, consultation fees accrue 18% and 15% of medical expenses per hospitalisation.

It is clear from the earlier discussion that consultation fees and bed charges constitute a large portion of treatment cost in the private sector, both in the case of for-profit and not-for-profit hospitals. Now, in absolute terms, how big are those components? Average consultancy fees, on an average per episode, is ₹5,710 in private (for-profit) hospitals, while the same for public hospitals is ₹179. As can be seen from Table 1, all the components are many times high in private hospitals as compared to public hospitals; for example, medicines (3.2 times), diagnostics (3.8 times). The components that are exorbitantly high leading to the stark difference in charges between two types of hospitals are consultation fees (31.8 times) and bed charges (28.9 times).

Insurance coverage is significantly low in India; lower is the utilisation and actual reimbursements. The data shows that insurance utilisation of inpatient care is abysmally low; only 6.58% inpatient cases treated in private sector have reported to receive any amount as insurance coverage in last one year (Figure 3). For

the poor and vulnerable sections of the population, for whom the social health insurance policies are aimed at, only 2.45% inpatient cases treated in private sector received any amount as insurance reimbursement.

Discussion and Conclusions

The study emphasises the expanding role of the private sector in providing healthcare to the Indian population. A majority of the hospitalisation cases in India are treated in the private sector; public facilities treat only 42% of hospitalisation cases in India. But, the average cost of a single episode of hospitalisation is five and six times higher in private (not-for-profit and for-profit commercial) hospitals as compared to public providers in India. More specifically, the average treatment cost is five and seven times higher in private not-for-profit charitable and private for-profit commercial hospitals as compared to public providers in India.

The component-wise analysis shows that both for providing diagnosis services and medicines, the private sector charges, on an average are around three to four times higher as compared to the public sector. It is often argued that the private sector provides superior quality treatment and care as compared to the public sector, and hence, charges more. But often, the superior quality of private sector health services is limited to non-clinical aspects like accommodation facilities, etc, but substandard medical services are provided in every other respect (Yesudian 1994). This study also corroborates that, on an average, components like bed charges and consultation fees constitute 12% and 18% of total treatment cost of inpatient care in private hospitals, and are 29 times and 32 times higher in the private sector as compared to public sector. This, from a patient's point of view, who often faces exorbitant charges in private hospitals, is quite taxing. Along with this, the study also finds that only 6.58% of inpatient cases treated in the private sector have received any kind of insurance reimbursement. This is alarming, in a situation, when the country is shifting from the tax-financed healthcare system to the insurance-based

ECONOMIC & POLITICAL WEEKLY

system. In the poorest quintile group, the access to insurance is even less; only 2.45% of inpatient cases (treated in private sector) have received insurance reimbursement. It is clear that though the country is looking forward to making a paradigm shift in the healthcare system, the allocation to health budget has not changed much; there has been only a reshuffling of resources. This, coupled with the high expenditure for treatment in private healthcare sector and low insurance utilisation, poses a serious threat to the idea of inclusiveness of poor and vulnerable in healthcare system in India.

As per the National Health Policy (2017) under GSHIS, selected benefit packages of secondary and tertiary care services could be purchased from private providers, and private “not-for-profit” and “for-profit” hospitals would be empanelled with preference for the former, for comparable quality and standards of care. This study also shows that private not-for-profit hospitals are almost as costly as private commercial hospitals. A suitable tax net needs to be designed to filter out all those non-profit private hospitals identifying their organisations as

such, only to avail some tax benefits. Moreover, private “not-for-profit” charitable hospitals serve only 3% of the hospitalisation cases in India. Their significant presence is found only in hospitalisation for eye- and ear-related ailments. Thereby, even with a preference for the private not-for-profit sector, the government policy of strategic purchasing from the private sector to fill critical gaps in public health facilities might end up with a commercial private sector-dominated health system with a supply-induced inflationary pressure on government health budget for the GSHIS. The private sector is a potential alternative to the weak public sector in many countries and India is not an exception. In fact, the existence of this sector cannot be ignored because of rising fiscal constraints to finance public health, increases in disease burden, spread of non-communicable diseases, and demographic shift, including ageing and migration. The implementation of appropriate regulatory mechanisms for the private sector across the country is very much needed to ensure quality of services and control medical inflation.

NOTES

- 1 Government health expenditure in India historically remained at low level; less than 2% of the GDP.
- 2 Estimation based on press release of the Ministry of Health and Family Welfare (<https://pib.gov.in/PressReleasePage.aspx?PRID=1539877>).
- 3 Consists of packages, consultancy fees, medicines, diagnostics, bed charges and other treatment costs.
- 4 Excludes data for childbirth.

REFERENCES

- Arrow, K J (1978): “Uncertainty and the Welfare Economics of Medical Care,” *Uncertainty in Economics*, New Delhi: Academic Press, pp 345–75.
- National Health Policy (2017): Ministry of Health and Family Welfare, Government of India, New Delhi.
- National Health Systems Resource Centre (2018): “National Health Accounts Estimates for India (2015–16),” Ministry of Health and Family Welfare, Government of India, New Delhi.
- NSO (2019): *Key Indicators of Social Consumption in India: Health*, National Statistical Office, New Delhi.
- WHO (2010): “The World Health Report: Health Systems Financing: The Path to Universal Coverage,” World Health Organization, Geneva.
- Yazdi-Feyzabadi, V, M H Mehroolhassani and A Darvishi (2019): “Measuring Catastrophic Health Expenditures and Its Inequality: Evidence from Iran’s Health Transformation Program,” *Health Policy and Planning*, Vol 34, No 4, pp 316–25.
- Yesudian, C A K (1994): “Behaviour of the Private Sector in the Health Market of Bombay,” *Health Policy and Planning*, Vol 9, No 1, pp 72–80.

Economic & Political WEEKLY

National Family Health Survey-4

February 8, 2020

Twenty-five Years of the NFHS: Lessons for the Future

—S Irudaya Rajan

Quality of Data in NFHS-4 Compared to Earlier Rounds: An Assessment

—K Srinivasan, Rakesh Mishra

Demographic and Health Diversity in the Era of SDGs

—K S James, S Irudaya Rajan, Srinivas Goli

Trends, Differentials and Determinants of Child Marriage in India: Evidences from Large-scale Surveys

—Sanjay Kumar

Frequently Asked Questions on Child Anthropometric Failures in India

—Sunil Rajpal, Rockli Kim, Rajan Sankar, Alok Kumar, William Joe, S V Subramanian

Stagnancy in the Unmet Need for Family Planning in India

—Purushottam M Kulkarni

Intimate Partner Violence: Effects on Maternity Care and Pregnancy Outcomes in India

—Srinivas Goli, Md Juel Rana, Jitendra Gouda

Household Assets and Wealth Quintiles, India 2006–16: Insights on Economic Inequalities

—Udaya Shankar Mishra, William Joe

For copies write to:

Circulation Manager,

Economic & Political Weekly,

320–322, A to Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013.

email: circulation@epw.in

Paradox of a Supply Constrained Keynesian Equilibrium

The COVID-19 Case

DIPANKAR DASGUPTA, MEENAKSHI RAJEEV

The Indian economy, which was facing demand deficiency and slowdown prior to the COVID-19 outbreak, plunged further with the lockdown. The present exercise represents the current problem as a typical demand constrained Keynesian equilibrium, afflicted further by demand and supply failures generated by transaction costs. The resulting scenario resembles a “supply constrained” Keynesian equilibrium. The article looks at the possible impact on prices and discusses the implications of select policy interventions for such an economy.

In the context of a medico-economic calamity that has come to visit the entire world with the COVID-19 outbreak, when some economists are apprehending the reappearance of another Great Depression (IMF (2020b)), and fiscal stimuli and liquidity easing have turned into commonly discussed tools for treating economies trapped in the quicksand of economic inactivity, this article seeks to outline, in a textbook language, how this economic storm may be viewed. To begin with, however, we need to take stock of the recent history.

According to the International Monetary Fund's forecasts about the world economy's prospects in 2020–21:

Global growth is projected to rise from an estimated 2.9% in 2019 to 3.3% in 2020 and 3.4% for 2021—a downward revision of 0.1 percentage point for 2019 and 2020 and 0.2 for 2021 compared to those in the WEO, October 2019. The downward revision reflects primarily negative surprises to economic activity in a few emerging market economies, notably India, which led to a reassessment of growth prospects over the next two years. (WEO 2020)

The picture presented by the report was somewhat bleak insofar as it expected the growth rates across countries to be low. Moreover, it held India's unsatisfactory growth performance responsible for the overall global underperformance.

Subsequently, in April 2020, when the COVID-19 outbreak was unfolding across the globe, the World Economic Outlook (WEO) presented an even more depressing scenario. According to this report, the global economy is projected to contract sharply by (-)3% in 2020, and the growth of the emerging markets and developing economies to be (-)1%, while that for India is projected to be 1.9%. In a baseline scenario, which presumes the pandemic to disappear gradually in the second half

of 2020 and containment efforts to be slowly unwound, the global economy is projected to grow at 5.8% in 2021 as economic activity normalises, helped by appropriate policy support.

The world was not doing too well in January. However, the latest news conjures up the picture of unprecedented disaster and this is not on account of India's slowdown, but due to a phenomenon that does not figure in the science of economics at all. The cause underlying the catastrophe, as we all know, is the COVID-19 virus, which no economic policy measures can bring under control, though the virus itself carries the potential of destroying economies.

Much has been written about the matter already in the print media and academic journals¹ and a great deal more discussed by the electronic media. In contrast, as already pointed out, the present exercise has a humble, though precise, goal. Sooner or later, one hopes that the crisis will pass away (even if it does not occur as early as the second half of 2020). Once that happens though, the terrifying tale will surely find a place in economics textbooks. Although we do not know for certain all the implications of COVID-19 yet, we use standard techniques to present a possible manner in which students of economic theory can be exposed to the current happenings and their implications. Since the happenings in question are not yet over, we can present, at best, a partial picture. But it tries to capture the two different kinds of declining growth scenario outlined by the WEO reports referred to above.

The chosen analytical schema recommends itself quite naturally since the pre-COVID-19 slowdown was primarily a problem of demand deficiency. Various fiscal measures adopted at the time were aimed at lifting aggregate demand. Thus, the initial slowdown can be seen as a typical Keynesian demand constrained equilibrium. However, following the lockdown imposed in India and elsewhere in response to the pandemic, major supply bottlenecks began to emerge. This phenomenon added to the existing demand constraint problem

The authors wish to thank Pradip Maiti for helpful discussions on the draft. The Reserve Bank of India and the Indian Council of Social Science Research are acknowledged for their support to ISEC, Bengaluru.

Dipankar Dasgupta (d.dasgupta@gmail.com) is a former faculty of economics, Indian Statistical Institute, New Delhi and Kolkata. Meenakshi Rajeev (meenakshi@isec.ac.in) is with the Institute of Social and Economic Changes, Bengaluru.

Figure 1: The Pre-COVID-19 Equilibrium

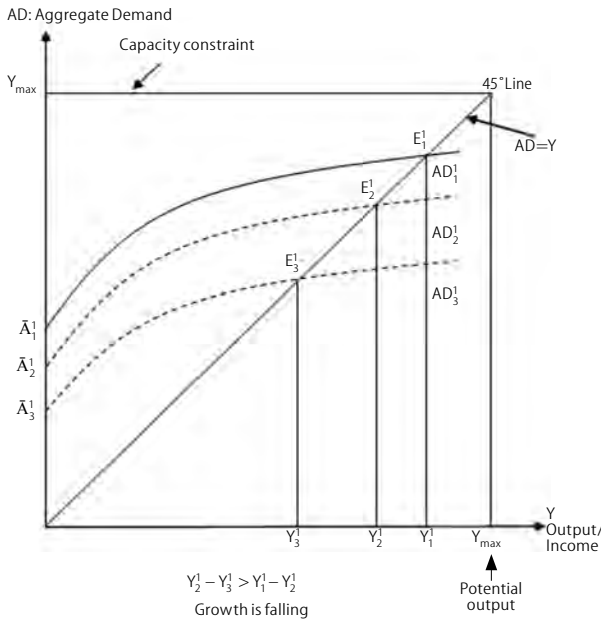
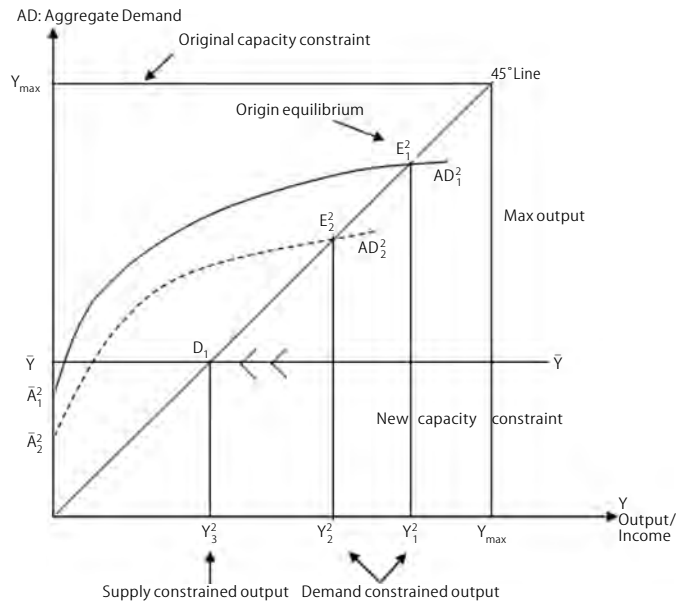


Figure 2: The Post-COVID-19 Equilibrium



faced by the economies, a problem of supply failures. When the two of these are put together, the resulting scenario appears to resemble what we call a supply constrained Keynesian equilibrium. The nomenclature is deliberately chosen to capture what might appear to be a contradiction to students familiar with the notion of a demand constrained Keynesian equilibrium.²

The phenomenon is presented below in two ways, first by means of a simple Keynesian model (skm), and second with reference to a complete Keynesian framework. A typical Keynesian model that undergraduate students are introduced to views the economy to be producing a single macro good. That such a model might be governed simultaneously by demand and supply constraints is a somewhat new phenomenon that students need to be exposed to.³ Put dramatically, we are inhabiting a world today where, despite the demand constraints, the markets are characterised by (constrained) demand exceeding (constrained) supply.

Transaction Cost-constrained SKM

The simple Keynesian description of pre-COVID-19 India (or any other economy in the world caught in a demand-deficient economic slowdown) is a straightforward replication of textbook macroeconomics.

The pre-COVID-19 case: The equilibrium for the skm is captured by the following equation:

$$Y = AD^1(Y; \bar{r}) = \bar{A}^1 + C(Y) + I(\bar{r}) + G + NX \quad \dots (1)$$

where, as of a fixed interest rate \bar{r} , AD^1 is aggregate demand⁴ as a function of aggregate income Y and rate of interest i , prior to the arrival of the novel coronavirus; C is private/personal consumption demand, which depends on aggregate income Y ; I is investment demand, which is a function of the rate of interest i (fixed at \bar{r} here).

In the Keynesian construct, both consumption and investment have an autonomous part, which we club together as \bar{A}^1 . Government expenditure and net export are presented by G and NX . Like the variable i , the price level is held fixed in the skm. These restrictions will be removed when we move on to the complete Keynesian presentation.

Figure 1 captures Equation (1). Not much needs to be said to explain the model, except to emphasise the fact that the model, being demand determined, assumes excess capacity in the system. In equilibrium, aggregate demand equals aggregate output, but the output fails to utilise the full capacity of the system as determined by available capital stocks and labour supply. The full capacity output is captured by the variable Y_{max} .⁵

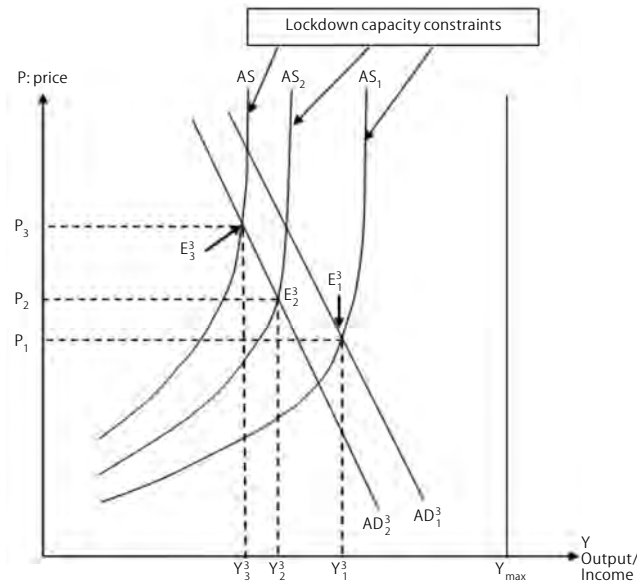
This is shown in the figure by the horizontal line through the point Y_{max} on the vertical axis and (using the 45° line) the vertical line through Y_{max} on the horizontal axis.

Three possible Keynesian equilibria are captured by the points E_1^1 , E_2^1 and E_3^1 on the 45° line. To increase the level of output, one needs to enhance demand in the system, and the often employed strategies for this purpose are raising G or increasing disposable incomes (via tax cuts). The Government of India did engage in several fiscal measures, including tax cuts and direct benefit transfers, to address the slowdown.

The equilibria at E_1^1 , E_2^1 and E_3^1 are associated with equilibrium incomes or outputs Y_1^1 , Y_2^1 and Y_3^1 , respectively. Here, Y_2^1 denotes the output in the period immediately preceding the period for which the output is Y_1^1 . Similarly, Y_3^1 precedes Y_2^1 .⁶ We have deliberately chosen $(Y_2^1 - Y_3^1) > (Y_1^1 - Y_2^1)$ to capture declining growth rates. The differences obviously do not measure growth rate changes, but for what follows; this artefact plays no analytical role.⁷ There was inadequate capacity utilisation in all cases with equilibrium output falling short of Y_{max} . The problem at that time was inadequate growth and the discussions surrounded the usefulness of monetary and fiscal policies to cure the disease. To reiterate, it was a lack of demand problem and that

ECONOMIC & POLITICAL WEEKLY

Figure 3: The Complete Keynesian Equilibrium—Pre- and Post-COVID-19



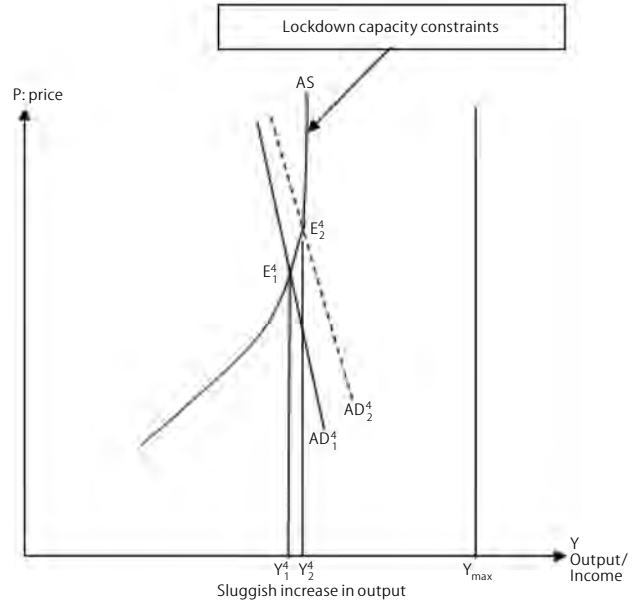
alone, for which the cure lay exclusively in manipulating the AD (;) curve.

The COVID-19 case: The scenario changed completely when COVID-19 struck. Since no medical solution to the problem was coming forth and is still being awaited, governments across the world resorted to lockdowns and social distancing. From the point of view of economic theory, this amounted to introducing two constraints on economic activities, one affecting demand and the other affecting supply. In what follows, we call these transaction cost (TC) induced constraints.

On the demand side, the transaction cost imposes an extra psychological restriction on the Keynesian consumption function itself. The possibility of contracting the disease has created enormous fear (consisting of a perceived high cost of healthcare associated with participation in the transaction process) leading people to avoid markets. This has caused a fall in both the autonomous and induced parts of consumption demand.

Also, the lockdown inflicted sudden shrinking of income flows and negative expectation that the future will continue to be gloomy, weakened demand as well. Uncertainty about the future, which Keynes referred to as “state of confidence” impacts both autonomous and induced investment demand.⁸ On the other hand,

Figure 4: The Complete Keynesian Model: Possible Impact of a Monetary Expansion



the lockdown keeps workers away from the workplace (even though there are enough willing workers and employers in the economy), thus reducing the flow of production. This can be looked upon as an unboundedly high transaction cost incurred by firms to bring in workers to the production site. The cost is so high that it acts as a capacity constraint. Put differently, the lockdown creates a supply-related “artificial” capacity constraint for production, which is significantly below the pre-lockdown supply constraint Y_{max} .

On account of the transaction cost during the lockdown (total or partial), the aggregate demand function changes to:

$$AD^2(Y, i, TC) = \bar{A}^2(TC) + C(Y, TC) + I(i, TC) + G + NX(TC) \quad \dots (2)$$

where AD^2 is the transactions cost constrained aggregate demand. Figure 2 represents the new scenario.

On account of the transactions cost, the aggregate demand curve shifts down from AD_1^2 to AD_2^2 . As noted, a part of the downfall may also reflect a weakening of the “state of confidence” as far as autonomous investment demand is concerned. The demand constrained equilibrium moves now to E_2^2 from E_1^2 and the corresponding output falls to Y_2^2 . However, this is not the end of the story, for we have yet to bring in the supply constraint. On account of the supply side

transaction cost, the earlier capacity constraint Y_{max} is no longer relevant. The effective supply constraint may fall to \bar{Y} . If this were to be the case, the achievable output falls below the standard Keynesian equilibrium output and until the supply constraint eases, it cannot rise back towards the earlier equilibrium. From the point of view of the simple Keynesian model, the economy gets stuck at a disequilibrium point. Our analysis raises, therefore, a further problem that the output may fail to qualify even as a simple Keynesian equilibrium. The point D_1 (or Y_3^3) captures this changed scenario.

This can be considered as a situation prevailing in the short run as long as the lockdown continues, either partially or totally.⁹ Two features of the low level of output/income Y_3^3 ought to be taken into account. First, due to the underutilisation of capital, a part of the fall in income will be caused by a fall in profit incomes and not just wage incomes. Second, the output composition will be significantly different from the one that prevailed prior to the arrival of COVID-19. In particular, whatever output is producible will mostly consist of essentials or necessities. It is unlikely that non-essentials will be produced in a large way, at least for emerging economies, though the lockdown lifted lately from liquor shops (probably to boost state government tax incomes during these hard times) could

ECONOMIC & POLITICAL WEEKLY

look like an exception.¹⁰ In any case, exports are likely to be reduced in a major way.

Of course, yet another unlikely possibility exists. The new capacity constraint \bar{Y} may well exceed Y_2^2 so that the COVID-19 output ought to be viewed as $\min(Y_2^2, Y_3^2)$. If \bar{Y} is binding, which appears to be what has happened, the imposition of the lockdown will make output jump vertically down from Y_1^2 to the horizontal line \bar{Y} and then push it leftwards along \bar{Y} . Since production will be severely constrained, this movement will be associated with a depletion in average level of stocks maintained by sellers. As stocks keep depleting and fresh production fails to rebuild stocks, the situation will worsen still more.

The way Figure 2 is drawn, an economy that finds itself at \bar{Y} is stuck at a disequilibrium level of output. Since demand exceeds supply here, there should be an impact on prices to bring the economy back to equilibrium. To appreciate this more clearly, we move on now to the complete Keynesian model (CKM).

Transactions Cost Constrained CKM

A CKM is presented in Figure 3 where AD represents the aggregate demand curve once again (but this time as a function of the aggregate price level P) and AS is the aggregate supply curve (also viewed as a function of P). From standard textbook macroeconomics, it is known that the AD curve represents the $IS-LM$ equilibrium in the (Y, P) plane. The economy was sluggish before the COVID-19 attack. So, the IS curve must have been steep, leading to a correspondingly steep AD curve. Call this $AD_1^3(P)$. The initial equilibrium point is shown as the intersection between AD_1^3 and AS_1 at E_1^3 in Figure 3.¹¹

During the COVID-19 lockdown, due to high transaction costs impacting the IS curve, the AD curve shifts backward to an even more steep AD_2^3 curve. On account of the supply constraint mentioned in the previous section, the aggregate supply curve AS_1 also shifts backward and becomes highly inelastic beyond a point. This is represented by AS_2 . The new equilibrium is at E_2^3 . The corresponding output is Y_2^3 . Had the supply curve shifted even more (to AS_3 say), the equilibrium

might have occurred at E_3^3 . The corresponding equilibrium prices are P_1 , P_2 and P_3 . As already pointed out earlier, the market equilibrium is brought about through successive rises in the price level.

Clearly, a large majority of the population being poor, high prices such as P_5 and P_3 can only exacerbate the problem for them, since willing workers will be forcefully separated from willing employers on account of the lockdown. Under the circumstances, it has been suggested that foodgrains be released from the government godowns and transferred to the poor.¹² This will shift the supply curve to the right and lower prices. Further, the prices could be subsidised.

According to *Economic Times* (March 2020), “the Food minister Ram Vilas Paswan said in this context that the beneficiaries of the Public Distribution System can buy six months of their quota of subsidised grain immediately.” In addition, Finance Minister Nirmala Sitharaman said via Twitter that state governments can draw foodgrains for three months from the Food Corporation of India on credit. This will ensure that the states do not face any cash constraint in distributing food to those in need. Under such policies, it might be possible to achieve a supply that lies to the right of E_2^3 . The prices to be charged for such supplies need to be worked out. Whether food should be distributed free of charge is a matter that is not clear, particularly so since it is not obvious how the food will be delivered to the large number of recipients.

In this context, Abhijit Banerjee observes:

[I]f a government succeeds in giving effective free PDS it will not be enough. In a country like India, if the government says there is free food for the next six months people will not accept. People are accustomed to a better life. ... I think in India we are being too conservative. Oil prices are low. Print some money and do not think of inflation. We need to be quantitative in India and in large sums. (*Telegraph* 2020)

While Banerjee is quite correct in his observation about free food, one needs to consider how the money printed will be passed on to the poor. This may well be as difficult a proposition as delivering food free of charge to all below poverty line persons and migrant workers. A

redefined Mahatma Gandhi National Rural Employment Guarantee Act (MNRGA) scheme could be a possible way of achieving the goal, but the details of the redefinition and associated legalities are not yet clear, despite the urgency to find a solution to the famine-like condition.¹³

The Reserve Bank of India (RBI), too, has engaged in expansionary monetary policy, but not one that involves lending to the government (that is, money printing). In March 2020, the RBI announced a cut in the repo rate by 75 basis points and a reduction in the cash reserve ratio (CRR) by 100 basis points to 3% for a period of one year. Subsequently, on 17 April 2020, the RBI reduced the reverse repo rate by 25 basis points to encourage banks to deploy funds for lending to business enterprises (especially the micro, medium and small enterprises [MSMEs]), rather than keeping them parked with the RBI. With the non-performing asset (NPA) norms relaxed too, some of these measures are aimed to increase liquidity for firms, especially MSMEs that have run out of working capital.

As a result of these policies, one possibility is that the LM curve will shift to the right, producing a corresponding rightward shift in the AD curve from AD_1^4 to AD_2^4 (as shown in Figure 4). Output might increase from Y_1^4 to Y_2^4 but given the inelastic nature of these curves on account of high transactions costs, the improvement in output is likely to be sluggish. However, to the extent that the rightward shift in AD does occur, the current misery of the poor will hopefully be alleviated, even if marginally.

One need not feel too optimistic even about the feasibility of such marginal shifts. For example, the idea of a reverse repo rate reduction discussed above is aimed at inducing the commercial banks to use their idle funds to improve the liquidity in markets by charging more competitive interest rates compared to the reverse repo rate. The dilemma here, though, is that the MSMEs are not likely to borrow at competitive interest rates when the economy is sinking. Some might believe that the MSMEs will borrow if the interest rate becomes very low. Even in this unlikely situation, they may not use the money either to invest

in financial assets or to build up active working capital stocks in the short run.

This possibility can be compared with the Keynesian liquidity trap. (In any case, a very low rate of interest will defeat the purpose of the RBI's reverse repo rate reduction policy.) Thus, monetary policy, increased liquidity, etc, are unlikely to boost the real economy. Perhaps, fiscal policy is the only option left before the government, even at the cost of worsening the fiscal deficit. But dealing with the latter problem in the future ought to be an easier task than conquering the virus now. Of course, what form the fiscal policy will assume is not clear either. If it is meant to boost demand, one wonders how such demand will be supplied when production is substantially constrained.

Another action initiated by the RBI recently is to revamp mutual funds to the tune of ₹50,000 crore. This led to an immediate upsurge in the stock markets. One wonders, though, how an improving stock market will bring succour to the starving millions in the country. In this context, it is useful to take note of Paul Krugman's (2020) recent opinion piece in the *New York Times*, where Krugman observes:

(W)henever you consider the economic implications of stock prices, you want to remember three rules. First, the stock market is not the economy. Second, the stock market is not the economy. Third, the stock market is not the economy. That is, the relationship between stock performance—largely driven by the oscillation between greed and fear—and real economic growth has always been somewhere between loose and nonexistent. Back in the 1960s the great economist Paul Samuelson famously quipped that the market had predicted nine of the past five recessions.

Yet another suggestion has come up subsequently from the Indian Revenue Service (IRS) officers who believe that a way out of the current crisis may be a rise in income tax rates for the rich and a reintroduction of the wealth tax (Dhingra 2020). It is not clear what sort of economic arguments were offered in support of the policy. In all probability, though, it was directed more towards protecting the fiscal deficit than anything else. Quite justifiably, the government has not reacted positively to the

suggestion. High tax rates do not auger well for an economy caught in a depression, since higher tax rates on slowly growing incomes are likely to damage the system by squeezing down spending. As far as wealth taxes go, in the current scenario, real estate prices too are moving down. Taxing these at government-determined valuation is likely to be counterproductive, since the actual market valuation is likely to be lower. Consequently, these measures might have a negative impact on the economy.

The following observation by Rittenberg and Tregarthen (2009) clarifies the last observation further. With reference to the Great Depression, they observe:

Other factors contributed to the sharp reduction in aggregate demand. The stock market crash reduced the wealth of a small fraction of the population (just 5% of Americans owned stock at that time), but it certainly reduced the consumption of the general population. The stock market crash also reduced consumer confidence throughout the economy. The reduction in wealth and the reduction in confidence reduced consumption spending and shifted the aggregate demand curve to the left. Fiscal policy also acted to reduce aggregate demand. As consumption and income fell, governments at all levels found their tax revenues falling. They responded by raising tax rates in an effort to balance their budgets. The federal government, for example, doubled income tax rates in 1932. Total government tax revenues as a percentage of GDP shot up from 10.8% in 1929 to 16.6% in 1933. Higher tax rates tended to reduce consumption and aggregate demand.

As the above quote attempts to clarify, during depressions, balancing budgets through taxation is unlikely to help revive an economy.¹⁴ The above policy measures, suggested or implemented, constitute only a few of the measures that have been discussed in the literature. A more comprehensive listing of the policy suggestions can be found in Ray and Subramanian (2020).

Concluding Remarks

We conclude this short exercise by noting an important theoretical paradox. The paradox consists of transforming, via the economic lockdown command, a normal Keynesian demand constrained equilibrium to an artificially generated supply constrained equilibrium. This may

have been the policy pursued by many other economies, too, faced with the COVID-19 crisis. However, given India's predominantly large informal labour force, it has created a special problem of its own. The lockdown has unleashed the migrant labour problem that is leading to mortalities in poorer sections of the economy from causes which may have no obvious link with the virus.

As Ray and Subramanian (2020) have noted in their work in progress, it is important to find a way of computing what fraction of the mortalities was caused by COVID-19 itself as opposed to other reasons. At this stage of their work, they appear to suggest a serious need to figure out whether the draconian lockdown imposed on the economy was called for at all. Going back to our theoretical observation, the conversion of excess supply to excess demand by artificial means during the lockdown period is comparable to the disaster precipitated by the Bengal famine of 1943.

While we made an attempt to formalise the developments, when the pandemic is ruling and the lockdown measures in various forms are still in force, it is rather difficult to predict precisely how the future scenario will unfold. This is owing to the fact that no one is certain about when a cure will be found either in the form of a therapy or a vaccine, or whether herd immunity will be developed by the populace. Researchers from different parts of the world have provided different estimates of the time line for an end to the crisis. Even if a cure is found in the future, some of the economies, by then, may resemble war-ravaged ones and rebuilding efforts through demand or supply push may operate only very slowly.

From the demand side, re-establishing normalcy will require bringing back consumer confidence, both in terms of reduction of transactions costs (by improved sanitary measures, public healthcare and better healthcare options, etc) and removal of uncertainty of income flows. In the absence of the latter, not only income but also the propensity to consume could fall due to a rise in preference for savings in the face of uncertain earnings.

Enhanced liquidity in the system can be useful only if it reaches the pockets of the poor who, in general, have high propensities to consume. As pointed out above, this could happen through a redefinition of rural employment in the MGNREGA and making prompt payment through direct cash transfers. However, it is best to keep in mind that such a policy may be more successful only after the supply bottlenecks arising out of the lockdown are significantly reduced. There can be other problems as well.

On the supply side, producers face twin problems of getting factors of production/raw materials to the production location and a lack of consumer confidence. As the labour force is dispersed to various parts of the country, there might arise a non-trivial search cost for workers as well as employers when the economy attempts to turn around. Quite apart from the usual forms of unemployment, the economy will have to deal with search unemployment issues as well. Also, due to the slump in consumer confidence stated above, effective demand may not revive quickly, even with a total eradication of the pandemic.

Finally, as the lockdown gets gradually eased, the spread of the virus could well increase, bringing more disruptions and uncertainty to the economy. As a result, even the structure of the economy in terms of the output shares of various sectors may change. In the years following independence, agriculture had the highest share in the economy and services the lowest. With the Indian economy growing over time, the share had moved in favour of services and away from agriculture. The COVID-19 problem, however, appears to have caused a return to the past, and regaining the immediate pre-COVID-19 equilibrium will therefore be a challenging exercise.

NOTES

- Several of these have been published in the *Economic & Political Weekly*, dealing with issues ranging from public health to gender and racism. For a dynamic exercise, that views the pandemic as a non-internalised external diseconomy in a competitive framework, see Eichenbaum et al (2020).
- The presence of both demand and supply constraints might produce the impression that the appropriate framework for studying the problem ought to be Walrasian. However, such a

viewpoint will be inappropriate, since the current supply constraint coexists with potential excess capacity. Indeed, this is the reason why governments across the world are seeing economic remedies to the devastation in typical Keynesian fiscal and monetary policies.

- It should be noted here that macro models that incorporate both demand and supply constraints have been studied in the past as well. Such models normally viewed the demand constraint to be regulating the industrial sector, while supply constraints characterise the agricultural sector. See, for example, Bose (1989); Dasgupta (1989). While these papers were devoted to studying underdeveloped economies alone, the present exercise addresses the problem from the point of view of all possible economies, including developed economies in a major way. For concreteness though, India receives emphasis in our presentation. This being the case, we have chosen to present our ideas in terms of a single good macro model, as opposed to the approaches followed by the authors referred to above. Since the great lockdown has imposed supply constraints on industry as well, both the industrial and agricultural sector have begun to share common features.
- For a discussion on the novel coronavirus and a somewhat different *AD* curve linking productivity growth and employment, see Fornaro and Wolf (2020).
- To the extent that there is investment in the system, one might wish to assume that full capacity itself rises over time. In that case, the Y_{max} line need not be horizontal (viewed from the vertical axis) or vertical (viewed from the horizontal axis).
- Without loss of generality, we are being somewhat casual about the definition of a period. The literature discusses year on year quarterly growth rates. From that point of view, Y_2^* and Y_1^* may be viewed as annually separated quarterly outputs. However, for our theoretical discussion, they may also be viewed as yearly, or for that matter, quarterly outputs.
- Strictly speaking, the differences would have represented growth rates if the variables were measured in natural logarithmic scale.
- According to Keynes (1936) (Ch 12): "The state of confidence is relevant because it is one of the major factors determining the ... investment demand schedule."
- Alternatively, as we shall point out in the CKM, the demand itself may fall towards Y_3^* .
- Barua (2020) analyses this possibility in detail. As news has it, however, Italy has taken steps towards opening up its Ferrari sports car factories. Whether this decision will stay in force remains to be seen.
- Although we are calling this the complete Keynesian model, it should be emphasised that the *AS* curve is a straightforward aggregate supply curve (to which students are introduced in microeconomics courses) and not the typical *AS* curve one comes across in macro textbooks. The reason why we avoid the macro *AS* construction is that it is usually constructed to capture features linked to wage bargaining vis-à-vis the state of unemployment. In our simple framework, such details have no role to play.
- According to repeated announcements by the media, 76,000 tonnes of foodgrains are available for distribution in FCI godowns.
- Yet another suggestion from Abhijit Banerjee to distribute temporary ration cards to anyone who asks for it does not appear to be a feasible policy to follow.
- What the proposal misses is that not too long ago, corporate taxes were reduced in the hope of reviving the economy. Turning the argument around, a rise in taxes will damage the economy, especially at times such as these.

REFERENCES

- Barua, Suborna (2020): "Understanding Coronavirus: The Economic Implications of the Coronavirus (COVID-19) Pandemic," https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3566477.
- Blanchard, Olivier (2015): "Macroeconomics," Edition 8, New York: Pearson.
- Bose, Amitava (1989): "Short Period Equilibrium in a Less Developed Economy," *Macroeconomics of Developing Countries*, New Delhi: Oxford University Press, College and University Level Text Edition (1997).
- Dasgupta, Dipankar (1989): "Procurement Price, Market Price, Employment and Effective Demand," *Macroeconomics of Developing Countries*, New Delhi: Oxford University Press, College and University Level Text Edition (1997).
- Dhingra, Sanya (2020): "Covid-19 Cess, 40% Tax for Rich—IRS Officers Offer Economy-revival Tips to Modi Govt," *Print*, 26 April, <https://the-print.in/economy/covid-19-cess-40-tax-for-rich-irs-officers-offer-economy-revival-tips-to-modi-govt/409108/>.
- Economic Times* (2020): "India Has Enough Food to Feed Poor If There's a Prolonged Coronavirus Shutdown," 24 March, <https://economictimes.indiatimes.com/news/economy/policy/india-has-enough-food-to-feed-poor-if-theres-a-prolonged-coronavirus-shutdown/article-show/74789498.cms>.
- Eichenbaum, M S, S Rebelo and M Trabandt (2020): "The Macroeconomics of Epidemics," NBER Working Paper No 26882, www.nber.org/papers/w26882.
- Fornaro, L and Martin Wolf (2020): "Coronavirus and Macroeconomic Policy," Vox CEPR Policy Portal, <https://voxeu.org/article/coronavirus-and-macroeconomic-policy>.
- IMF (2020a): *World Economic Outlook*, International Monetary Fund, January, <https://www.imf.org/en/Publications/WEO/Issues/2020/01/20/weo-update-january2020>.
- (2020b): "The Great Lockdown," International Monetary Fund, April, <https://www.imf.org/en/Publications/WEO/Issues/2020/04/14/weo-april-2020>.
- Keynes, John Maynard (1936): "The General Theory of Employment Interest and Money, Palgrave," UK: Macmillan.
- Krugman, Paul (2020): "Crashing Economy, Rising Stocks: What's Going On?" *New York Times*, 30 April, <https://www.nytimes.com/2020/04/30/opinion/economy-stock-market-coronavirus.html>.
- Ray, Debraj and S Subramanian (2020): "India's Lockdown: An Interim Report," <https://debrajray.com/wp-content/uploads/2020/05/Ray-Subramanian.pdf>.
- Rakshit, Mihir (1989): *Macroeconomics of Developing Countries*, New Delhi: Oxford University Press, College and University Level Text Edition (1997).
- Rittenberg, L and T Tregarthen (2009): "Principles of Macroeconomics," Second Edition, Flat World.
- Telegraph* (2020): "Oil Prices Are Low, Print Some Money, Don't Think of Inflation, Says Abhijit Banerjee," 3 April, <https://www.telegraphindia.com/india/oil-prices-are-low-print-some-money-dont-think-of-inflation-says-abhijit-banerjee/cid/1761699>.

Economic & Political WEEKLY

available at

Variety Book House

35, Bhad Bhada Road, T. T. Nagar
Bhopal - 482003, Madhya Pradesh.
Ph: 2556022, 2554057

A History of Political Parties in India

MAHENDRA PRASAD SINGH

The book under review is a product of an Indian Council of Social Sciences Research (ICSSR) senior fellowship availed by (Retd) R K Tiwari of the Indian Institute of Public Administration, New Delhi. It deals with the topic of political parties and their manifestos.

Since elections developed later than the formal structures of the government, even democratic government, with gradual extension of franchise earlier limited only to the nobility and clergy to wider sections of the society like the bourgeoisie and middle classes and working classes, their study took time in gaining currency in political science. Political parties grew even later than the first onset of elections, and early political elites and founding fathers—George Washington, Lord Bolingbroke, M K Gandhi, Jayaprakash Narayan, M N Roy, etc—expressed strong anti-faction/anti-party sentiments as divisive instruments of social and national unity. Even when parties appeared on the scene, first in parliamentary chambers and then in civil society, interest groups, pressure groups, and parties came to be regarded as infrastructures rather than structures of government and governance. Nevertheless, in liberal democratic political theory, both elections and political parties finally came to acquire primary and crucial importance.

In the Indian political system, parties and party systems have not yet developed adequately. If anything, their state of health has suffered serious decline since the end of the Nehru era as democratic organisations and programmatic/ideological entities.

Lacking in social service orientation, multiparty democracies have degenerated as personalised, dynastic, familial, semi-feudal, casteist and communal instruments that weaken the democratic texture and functioning of the polity. Parties

BOOK REVIEWS

Political Parties, Party Manifestos and Elections in India, 1909–2014 edited by R K Tiwari, *Oxon and New York: Routledge, 2019; pp xxi + 309, ₹1,495.*

ritualistically publish and release election manifestos with great fanfare, which are never seriously taken and acted upon by leaders or by voters. The state of political studies is also pathetic, where vicarious interest in voting trends of castes and communities for the undemocratic forces masquerading as “political parties” has elbowed out healthy social science concerns in elections, and party and party system building and reforms.

Long Time Frame, Ambitious Title

R K Tiwari's book is welcome as an effort to underline the importance of political parties and manifestos. But it is mostly disappointing, partly because it has unrealistically taken a very long timeframe and partly for its failure to go beyond a superficial descriptive level and attain analytical and explanatory worth. It comprises four chapters, besides the introduction and conclusion. The title of the book is too misleading and too ambitious. As per the title, it does not belong here; it spills out of its scope and drives out more in-depth treatment of political parties, manifestos, and elections. All the three substantive themes and over a century of time frame for a proper treatment would require at least half-a-dozen volumes. A bird's eye view could also be attempted in a slim volume of 100 pages, but it would demand dispensing with a lot of paraphernalia and adopting a more insightful and analytical approach to cover over a century of modern and contemporary Indian politics and history of democratic and constitutional developments.

An interesting and useful part in the book is the foreword by T N Chaturvedi, presently the chairman of the Indian Institute of Public Administration. He observes:

The constitutional reforms brought by the British in the statutes of 1909, 1919 and 1935 introduced albeit slowly and gradually reform in the system of representation ... However, the electoral politics since the first election of 1909–10 contained all the trappings of a parliamentary system. The process of parliamentary system became more refined with each successive, constitutional reform. (p x)

He goes on to successively underline the changing texture and temper of elections, political parties, manifestos of the nationalist phase and the post-independence phase of politics in India. He goes on to remark:

So far, in the study of Indian politics, party manifestos have remained a neglected area. I hope this monograph will generate interest in the study of party manifestos from multiple perspectives. In this context, I am of the view that there is a need for a volume devoted to the compilation (on selective basis) of the party manifestos of all elections conducted before and after independence. (p xii)

He underlines the need to relate manifestos with other parameters of governance, and the “need to systematically examine how far different political parties which formed the government at the Centre (1952–2014) were able to implement their manifestos” (p xii).

In Chapter 1 of the book, the author deals with the evolution of ideas on nation-building and economic modernisation in India, especially apropos Dadabhai Naoroji, Mahadev Govind Ramade, Romesh Chandra Dutt, Gopal Krishna Gokhale, Gandhi, Subash Chandra Bose, the National Planning Committee, Bombay Plan, People's Plan, Gandhian Plan, Gandhi's Constructive Programme and Jawaharlal Nehru. He stops short with Nehru, though the title of the chapter professes to cover the period up to 2014.

Analytical Discussions

Chapter 2 deals with constitutional reforms, electoral systems, political parties, and elections during the British Raj. This chapter does justice to the triple

themes of the book—parties, manifestos, and elections of the period mentioned, plus a good analytical discussion of the intents, purposes and machinations of the relevant constitutional reforms as well as acts meted out to the Indian subjects by the imperial and colonial states.

Chapter 3 discusses the electoral system, political parties, and Lok Sabha elections. The crystallisation of the electoral systems in India is discussed well, so is the preparation for and conduct of the first general elections. An overview of the elections from 1952 to 2014 is also informative. I wish the author had gone beyond the descriptive account and also addressed some analytical and explanatory issues like the relationship between the electoral system and the party system. There is the celebrated Maurice Duverger's and William Riker's theory in comparative politics that plurality/simple majority/first-past-the-post electoral law (all coterminous in meaning) inevitably causes a two-party system, whereas the proportional electoral law invariably produces a multiparty system.

They call these propositions the “iron laws” of relationship between electoral systems and party systems. It may be possible to at least partially agree with Duverger and Riker inasmuch as the plurality electoral law has generally produced a broad two-party system in the Anglo-Saxon and British Commonwealth countries, with only occasional departures from the pattern in Canada in the early 1990s and in the recent decades in the United Kingdom. And, proportional representation law has universally produced a multiparty-system pattern in European countries and Israel. Among the Commonwealth countries, New Zealand presents a quasi-experimental case in this context. From 1907 to 1993, the country operated with the plurality voting system and developed a two-party system. Since 1993, it shifted to the mixed member proportional representation system and has evolved a multiparty system. The Indian case is similarly interesting in a quasi-experimental way. India has consistently used the plurality electoral system of voting since its first universal adult franchise-based elections in 1952 to date.

Yet, it has never developed a two-party system. Its national party system was, generally, a one-party dominant system under the aegis of the Indian National Congress for the first four decades, and turned into a multiparty system with federal coalition governments since 1989. From 1989 to 2014, it did not even have a majority party; such a party emerged in 2014 in the Narendra Modi-led Bharatiya Janata Party (BJP) and got re-elected in 2019. The Indian experience has clarified that more than the plurality electoral system, it is the social and regional diversity of India that makes India such a strong “deviant case” repudiating the Duverger–Riker hypothesis. If European countries and Israel adopt the same system as we did, they too would remain to be under the multiparty system, though with a somewhat reduced party system fragmentation. For the proportional system produces and magnifies the mirror image of social diversity in Parliament, whereas the plurality voting system moderates it by punishing too small parties and somewhat helping the larger parties in the arithmetic of conversion of electoral votes into seats, that is, the vote–seat ratio.

Cross-sectional Format

Chapter 4 presents a comparative analysis of party manifestos of the national political parties in India. Next to Chapter 2, Chapter 4 is also fairly extensive in size and covers a wide thematic sweep, including all major national parties, and all conceivable issues important in Indian elections and politics, public policies and governance. However, the exclusion of the regional parties in this chapter is rather surprising and arbitrary in a country where regional parties are of crucial importance in the national as well as state party systems. Another limitation in the analysis of manifestos is that it is couched in a cross-sectional format, ignoring their longitudinal or evolutionary dimension. Though, the author makes an amend by addressing this aspect to some extent in the conclusion of the book.

The author has also appended to the book a note on bibliography pertaining to each chapter, which goes beyond the

references at the end of the chapters. In the part on the Socialist Party on page 306, Jayaprakash Narayan is wrongly spelled as Jaya Prakash Narayan.

All in all, the book at least tries to fill the big gap in Indian political studies pertaining to the system of representation and political parties and their manifestos. A long-range overview of the phenomena covering more than a century—1909–2014—prevents the writer from rising over mere description to explanation and theorisation relating to the interrelationships between society and politics, colonialism and nationalism, and impacts of both on parties and party systems, first-past-the-post system of electoral law versus proportional representation, and the growth of two-party system or multiparty system, party governments or coalition/minority governments, etc. These have been a fecund field of theory-building in the political science literature in North America, Western Europe, and Australia. These issues are either superficially dealt with or are conspicuous by their absence in this book. I do not mean to blame the present author alone for the poverty of explanation and theory. Even the general crop of current psephological and journalistic studies on elections and parties in the existing Indian literature are disappointing, being these are overly focused on caste and communities and their political preferences.

Mahendra Prasad Singh (*profmpsingh@gmail.com*) is the national fellow in political science at the Indian Institute of Advanced Studies, Shimla.

EPW Index

An author-title index for *EPW* has been prepared for the years from 1968 to 2012. The PDFs of the Index have been uploaded, year-wise, on the *EPW* website. Visitors can download the Index for all the years from the site. (The Index for a few years is yet to be prepared and will be uploaded when ready.)

EPW would like to acknowledge the help of the staff of the library of the Indira Gandhi Institute for Development Research, Mumbai, in preparing the index under a project supported by the RD Tata Trust.

The Phenomenal Rise of Asia

Unfolding of Diverse Development Strategies

RAKESH MOHAN

This is a monumental piece of work and a great service to the study of the phenomenal economic transformation of Asia that has unfolded over the last half century or so. Understanding this turn in global economic history is particularly important since the continent had suffered a century or more of no economic growth before the 1950s. It is timely too, in view of the greater salience of Asia's role in the global economy today, and the likelihood of this becoming even more prominent in the coming decades as the fulcrum of the global economy does make an epochal move back from the Atlantic Ocean to the Indian Ocean, where it was 200 years ago. I would expect this book to serve as a key resource for the study of Asian resurgence for some time to come.

Asia has emerged as the fastest growing region in the world over this period. This constitutes a major transition from a situation when Asia (excluding Japan), in Deepak Nayyar's words, was "the poorest continent in the world" (p 28). Fifty years ago, this transformation would have been thought of as unimaginable. The general prognosis for the future of Asia was essentially pessimistic.

The Story in Numbers

The book is organised in three relatively distinct parts, each consisting of three chapters. The first three chapters, which provide a detailed account of the growth record of Asia over the past 50 years or so, can be seen to comprise the first part. The starting point is documentation of the initial conditions in which Asia found itself by the 1960s. Nayyar takes pains to elaborate on the incredible downfall of Asia from the early 19th century until the mid-20th century, attributed essentially to the ravages of

Resurgent Asia: Diversity in Development by Deepak Nayyar, *New Delhi: Oxford University Press, 2019; pp xx + 295, ₹895.*

colonialism and imperialism that characterised that whole period. This theme is repeated throughout the book focusing specifically on the deindustrialisation that Asia suffered, particularly because of the immiserating trade policies followed by the imperial powers. The phenomenal rise of Asia over the past 50 years is then documented carefully in terms of key metrics related to the demographic transition, social progress and economic development, while providing detailed comparisons with other parts of the world. Although the book, overall, covers the whole of Asia, a more detailed analytical accounting of country-wise growth is then provided on a disaggregated period-wise basis for what he calls the Asian 14, which include the key East Asian, South East Asian and South Asian countries, and Turkey.

The next set of three chapters comprise the second part of the book, and relate the documented structural change, industrialisation and economic transformation that the Asian 14 went through, with the changing contours of economic policy followed over the years in these countries. Nayyar has four key important points of departure in his interpretation of policy causality that led to the transformation of these countries. First, he notes that in contrast to the traditional view of development policy and structural change proceeding sequentially from agriculture to industry to services, the Asian experience suggests that it was actually a simultaneous move from agriculture to industry and services, in terms of both sectoral shares in gross domestic product (GDP) and employment.¹

Second, he puts forward the view that Asian countries' approach to macroeconomic policy was a much more development-oriented one related to maximising economic growth and employment, rather than conforming to orthodox prescriptions that emphasise macroeconomic stability, balanced budgets, price stability and low debt. He argues that the real issue behind fiscal deficits financed by government borrowing is the allocation of expenditures towards development-oriented programmes and projects that then promote growth and employment. Third, whereas he endorses the objective of economic openness as a growth-supporting strategy, he believes that this is effective only in the presence of government-guided industrial policy. Fourth, in contrast to much of academic opinion with respect to the analysis of Asian growth, he is clear that the economic role of the state as leader, catalyst or supporter was critical to the transformation of Asia. He feels that the debate on government versus market failures is a false one: success is achieved when state and markets complement each other.

Towards a New Asian Century?

The final three chapters comprising the third part of the book are essentially concerned with overall outcomes both within the Asian 14 and across Asia, along with an assessment of the vastly changed position of Asia within the world now and into the future. He finds that the convergence hypothesis is not validated both within countries and across the world, despite the very rapid growth of per capita incomes in Asia as a whole. Inequality has increased particularly within countries. In contemplating the changing role of Asia as its weight increases to at least half of global GDP in the decades to come, he speculates on the need for systemic changes in global governance in order for Asia to have its rightful voice in the world. This is assumed to be of even greater importance today with the pushback by the West, particularly the United States, that is now being launched with respect to China.

Planning and Import Substitution

This is an ambitious book. Nayyar aims to provide

an analytical narrative of this remarkable story of economic development, situated in a historical perspective, and an economic analysis of the underlying factors, with a focus on critical issues in the process of an outcome in development. (p 4)

The book also aims to put the economic transformation process in the context of the influence of different development strategies and economic reforms as they emerged over time, what was well-managed and what was not, and attempts to analyse the factors underlying successes and failures that emerged. Particular attention is given to the age-old debate in development strategy with respect to the relative roles of the state and markets. He has reported faithfully the various contentious debates that have arisen over time, both regarding the substantive content and rationale of economic policy and in the interpretation of outcomes as they occurred.

It is not easy to trace the historical evolution of a complex, large and diverse continent, document it in an analytically rigorous fashion, along with the key changes that have occurred; and find connections of these observed changes in economic performance with economic policy reforms over time, and also relate them to initial conditions. In order to do this Nayyar has successfully assembled a vast quantity of data in digestible form to provide a sound empirical basis to his Asian story. In fact, this invaluable country-wise relatively comprehensive data compilation of the Asian 14 countries in terms of the main indicators of their economic transformation is a major contribution of the book, which would be of immense value to students of development all over the world. I am not aware if such a compilation is available elsewhere in as accessible a form. It would, in fact, be a good idea to provide these tables in a spreadsheet form as a supplement to the soft portion of the book available from UNU-WIDER (United Nations University World Institute for Development Economics Research). The very helpful one-page summaries that are provided at the end of the chapter

constitute another very valuable feature of the book, which will be of great help to the time-constrained general reader. Overall, this is a well-crafted book.

East Asia vs South Asia

What more could I have wished for? The first is the relative neglect of health and education policies that enabled the most successful Asian countries, starting with Japan and followed by South Korea and Taiwan, and to some extent the ASEAN countries as well, to build human capital of high quality very early. This is surprising since these features are well-covered in detailed chapters in the companion volume of this book (Nayyar 2019). For example, Korean literacy had reached almost 100% by 1980, Chinese about 65%, whereas Indian literacy was still only 44% at that time, a level exceeded in South Korea even before 1950. Parallel comparisons can be made for various health indicators with similar results. Would the other, generally most touted policies that promoted industrialisation and export of competitive manufactured products in Asia have been successful without the achievement of almost universal literacy and health quality very early? This is in particular contrast to the record of South Asian countries, which have come

to the growth party late and possibly not in a sustainable fashion because of continuing handicaps in the quality of their human capital. One is left wondering as to what were the societal, political and policy conditions that led to these contrasting outcomes? This is particularly curious since one might have expected greater attention to human development in democratic countries like India.

Second, there is a similar neglect of agricultural development and the different strategies adopted in the Asian 14 covered. Nayyar does well to draw attention to the very early land reforms carried out in Korea and Taiwan, and earlier in Japan, and of course in China in a very different way. The rapid industrialisation achieved in East and (to a lesser extent in) South East Asia was enabled for corresponding progress made in agricultural productivity. Once again, South Asia lagged behind despite land labour ratios that were not very different. One would have liked a more detailed treatment of agricultural development as they progressed in Asia through the development process, in terms of both policy and technology.

Third, continuing on the same issue, East and South East Asia have clearly exhibited very different growth and

NEW

EPWRF India Time Series

(www.epwrfits.in)

Wage Rates in Rural India

The **EPW Research Foundation** has added a module on Wage Rates in Rural India to its online database, EPWRF India Time Series (EPWRFITS).

This module provides average daily wage rates, month-wise, in rupees, for various agricultural and non-agricultural occupations in Rural India for 20 states starting from July 1998 (also available, data for agricultural year July 1995–June 1996). Additionally, it presents quarterly and annual series (calendar year, financial year and agricultural year), derived as averages of the monthly data.

The wage rates for agricultural occupations are provided for ploughing/tilling, sowing, harvesting, winnowing, threshing, picking, horticulture, fishing (inland, coastal/deep-sea), logging and wood cutting, animal husbandry, packaging (agriculture), general agricultural segment and plant protection.

The non-agricultural occupation segment presents wage rates for carpenters, blacksmiths, masons, weavers, beedi makers, bamboo/cane basket weavers, handicraft workers, plumbers, electricians, construction workers, LMV and tractor drivers, porters, loaders, and sweeping/cleaning workers.

The data have been sourced from *Wage Rates in Rural India*, regularly published by the Labour Bureau, Shimla (Ministry of Labour and Employment, Government of India).

With this addition, the EPWRFITS now has 20 modules covering both economic (real and financial sectors) and social sectors.

For subscription details, visit www.epwrfits.in or e-mail us at its@epwrf.in

development records in contrast with South Asia over the whole period documented in this book. In view of his very careful data and analytical work, it would have been very illuminating if Nayyar had used his considerable expository powers, and combination of his academic and policy experience, to provide a good explanation of these very contrasting experiences. As documented by him, the initial conditions were perhaps not that different. What was it in the political, academic and bureaucratic apparatus in South Asia that led to the slow change towards a more market-oriented outward looking policy framework, more than 20 years after such changes had become the norm in East and South East Asia? Why was it that even the Chinese Communist Party's bureaucratic apparatus was much quicker to change than the open political, social and academic system that characterises India?

Fourth, the key issue that has governed the debate on understanding the incredible growth achievement of Asia, particularly East and South East Asia, has revolved around the relative roles of market and the government in guiding the phenomenal transformation experienced. I have general agreement with Nayyar on his view that the government was effective in guiding the development process experienced, both in the early

stages of the import substitution phase, and later in the promotion of manufactured exports. However, I would have liked better explanations of why governmental and institutional structures worked in these countries, and were adapted constantly with changing circumstances and stages of development, even in China, and not in South Asia and perhaps in other parts of the world. What was it in these countries that enabled bureaucracies as well as politicians to understand that, as he says, markets and governments complement each other? How and why was it that this balance was achieved in an appropriate fashion relative to other countries and regions? Were their bureaucracies more technocratic and meritocratic? Were their leaders also more enlightened than their counterparts?

Fifth, a minor quibble. In principle, the book has covered the whole of Asia including West Asia. However, much of the work is really concerned with the success of East and South East Asia, including China, and to a somewhat lesser extent South Asia. Although Turkey is included in the Asian 14 there is very little discussion on what transpired there. The book would probably have gained if it had completely excluded West Asia, including Turkey. In fact, that would have simplified Nayyar's task in putting together this book.

Sixth, although the compilation of detailed tables provided in the book are a major strength as I have noted, the repetition of numbers in the text could have been avoided while drawing the major conclusions that arise from the tables.

Overall, along with its edited companion volume, this is a magisterial piece of work devoted to understanding the most remarkable economic transformation that the world has experienced in all of human history. It is truly comprehensive, intensively researched, balanced, insightful, and backed by well-chosen data.

Rakesh Mohan (*mohan1948@gmail.com*) is senior fellow at the Jackson Institute for Global Affairs at Yale University and distinguished fellow at Brookings India.

NOTE

- 1 Coincidentally, my own PhD dissertation made the same point in a computable dynamic general equilibrium framework for India (Mohan 1977, 1984).

REFERENCES

- Mohan, Rakesh (1977): "Development, Structural Change and Urbanization: Explorations with a Dynamic Three Sector General Equilibrium Model Applied to India, 1951-1984," unpublished PhD Dissertation, Princeton University.
- (1984): "The Effect of Population Growth, The Pattern of Demand and of Technology in the Process of Urbanization," *Journal of Urban Economics*, March, Vol 15, No 2, pp 125-56.
- Nayyar, Deepak (2019): *Asian Transformations: An Inquiry into the Development of Nations*, Oxford: Oxford University Press.

Economic & Political WEEKLY

Review of Urban Affairs

November 30, 2019

The Lives of Waste and Pollution

—Amita Baviskar, Vinay Gidwani

Becoming Waste: Three Moments in the Life of Landfills in Mumbai City

—Shireen Mirza

Urban Waste and the Human-Animal Interface in Delhi

—Nishant Kumar, Aparajita Singh, Barbara Harriss-White

From Balmikis to Bengalis: The 'Casteification' of Muslims in Delhi's Informal Garbage Economy

—Dana Kornberg

Numbing Machines: Manual Scavenging's Reconstitution in 21st-century Bengaluru

—Shreyas Sreenath

Neo-liberalising Inclusion? Waste Picking, Data Activism, and the State

—Harsha Anantharaman

The Colonial Roots of India's Air Pollution Crisis

—D Asher Ghertner

For copies write to:

Circulation Manager,

Economic & Political Weekly,

320-322, A to Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013.

email: circulation@epw.in

Labour Law Changes

Innocuous Mistakes or Sleight of Hand?

ATUL SOOD, PAARITOSH NATH

The changes in labour laws announced during the lockdown period in several states reflect a lack of concern for the highest levels of unemployment seen in the past 45 years and the large number of workers leaving industrial pockets and returning back to an economy ravaged by agrarian distress. The events of the last few months suggest that distinctions amongst the working class in terms of organised/unorganised, formal/informal, and migrant/local are being narrowed. Labour must consolidate across the board taking anchorage in the commonalities of experience that various divisions face today.

Atul Sood (atulsood61@gmail.com) is at the Centre for the Study of Regional Development, Jawaharlal Nehru University. Paaritosh Nath (paaritoshnath@gmail.com) is post doctoral fellow at the Centre for Sustainable Employment, Azim Premji University, Bengaluru.

India, like the rest of the world today, is going through a pandemic. But the discussion in India, especially surrounding policy, does not seem to take this into account. The government is busy pitching whatever measures it wanted to introduce before the COVID-19 pandemic struck, as definitive ways of recovering from the pandemic's impact on the economy. This article specifically deals with the changes suggested in existing labour laws. For those of us who question this stance of the government, it is not enough to only look at the inadequacies of the rationale provided while introducing these reforms. These inadequacies were there before COVID-19 as well. It is equally important to raise, if not answer, the question as to what is motivating the government to initiate these changes at the time of a global pandemic.

Reasoning or Its Lack

As of now, the argument being made is that the labour welfare legislations embedded in them aspirations of labour backed by legal coercion that are too stringent in favour of workers. This in turn, it is said, has paradoxically resulted in the worsening conditions of workers (Krishnan et al 2020). The suggestion is that the laws that seek to regulate minimum wages, payment of wages, occupational safety, industrial disputes, contract labour, employment and service conditions of interstate migrants, etc, are not only onerous, they make the cost of hiring the workforce under a formal set-up too high. To compensate for this disincentive, the employers either do not employ enough workers or employ workers through mechanisms that ensure that the bulk of them do not fall within the ambit of law. For those supporting the current labour law changes, this explains the poor working conditions, rise of informality and the precarious earnings of the workers.

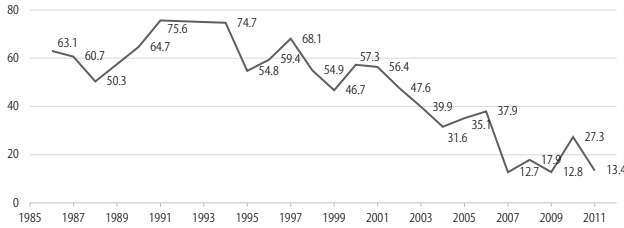
One may ask that if the majority of workers today, for whatever reasons, already do not fall within the ambit of labour laws and the rules are easily circumvented, then how will the suspension of these laws incentivise the industrialists to invest in the welfare of workers? Even within the organised manufacturing section, where some compliance is maintained, we see that the share of wages in gross value added is not only low but has been declining over the years. As per the Annual Survey of Industries data, this share was 28.5 in 1980–81, 21.4 in 1990–91, 15.5 in 2000–01, 10.3 in 2010–11 and 12.3 in 2015–16. Labour costs, where the law is still applicable, are low and steadily falling and yet the solution seems to be to remove these laws as well. Furthermore, it is interesting and revealing to see what major investment consultancies advise potential investors in India and China. For instance, the consultancy firm Genimex (2020) suggests,

India's manufacturing labor is more competitive when compared to China. In 2014, the average cost of manufacturing labor per hour was \$0.92 in India and \$3.52 in China. While labour costs are much lower, one must also consider the extra costs that will accrue due to India's expensive transportation, power, and water costs. Low power availability can be a major drawback manufacturing in India.

Another investor site suggests that hourly minimum wage in China is three times more than in India (\$1.73 compared to \$0.61).¹ The underlying point is that labour is already very cheap in India and other factors that reduce India's competitiveness are not being addressed.

Another rationale given by those who want the suspension of labour rights is that labour-welfare legislation never considered issues like compliance costs, government capacity for enforcement, and more importantly their counterproductive consequences. The COVID-19 crisis provides the country an opportunity to rectify these historical mistakes (Gupta 2020). By compliance costs very often what is implied is the corruption that employers face from regulators (popularly called the "inspector raj"). It is alleged that the corruption in the labour department disheartens industrialists and disincentivises investment,

Figure 1: Inspection Rate (in %) Carried Out under the Factories Act (1948), 1986–2011



Source: *Indian Labour Year Book*, Labour Bureau, various issues.

so as a solution the laws themselves need to be done away with. It is necessary to ask if this rationale has been applied to other situations? Has it been argued that in spite of traffic norms many accidents do occur in this country and therefore transport regulations should be set aside? And because of the fair bit of corruption within the law and order machinery, regulating law and order should be given up? The failure to check corruption in government departments is essentially the responsibility of governments, so it should be logical to associate it as a failure of the government. But, in the case of labour, that connection is seldom made.

the last several years in India. The reality on the ground is that the factories' inspectorate staff is highly understaffed. For example, in Bihar in 2013, there was one officer in charge for more than 1,060 factories (Nath et al 2019). A similar situation exists in many other states. The solution to this overall rent-seeking problem lies in checking corruption in government departments and increasing the inspectorate staff rather than doing away with inspections altogether.

Myth of Simplification

Public discourse is inundated with many additional arguments supporting the dilution or removal of all labour-related

Moreover, Figure 1 puts into perspective the factual basis of this argument—showing clearly the low percentage of factories, within the ambit of the Factories Act, 1948 that were being inspected over

regulation. The common arguments centre around: multiplicity of laws that need simplification, over-regulation leading to inefficiency, and making pragmatic laws that should benefit a maximum number of workers rather than a privileged few, and that stringent regulation disincentivises investment.

Table 1 provides the changes proposed recently by the Governments of Uttar Pradesh (UP), Madhya Pradesh (MP) and Gujarat. The specific nature of changes sought to be implemented betray the argument that these complex laws need to be simplified in order to make them accessible to all, including the workers. If anything, they make the process far more convoluted. Take, for example, the bizarre decision taken to remove entire acts, save for a couple of sections. The Factories Act, 1948, in Section 2, defines who, according to the purview of this act, is a worker, who is the occupier and what is to be understood about the manufacturing process itself. Having done away with this section, enforcement of the retained sections, unless otherwise specified, stand on dubious

Table 1: Changes Proposed by States

State	Date of Notification	Amendment Made	Points to Note
Uttar Pradesh	6 May 2020 "Uttar Pradesh katipay shram vidhiyon se asthayai chhoot"	<ul style="list-style-type: none"> Five out of 38 labour laws withdrawn[1] Bonded Labour system (Abolition) Act 1976, the Employees Compensation Act, 1923 and Building and Other Construction Workers (Regulation of employment and conditions of services) Act, 1996 remain operational Provisions relating to the employment of women and children as well as Section 5 of the Payment of Wages Act, 1936 have also been retained 	Major acts done away with: Factories Act, 1948, Industrial Disputes Act, 1947, Industrial Employment (Standing Orders) Act, 1946, Contract Labour Act, 1970, Trade Unions Act, 1926 and Minimum Wages Act, 1948
Madhya Pradesh	5 May 2020	<p>The Madhya Pradesh Industrial Relations Act, 1960 no longer applicable to 11 major industries</p> <p>Save for Sections 6, 7, 8, Sections 21 to 41-H under Chapter 4 about safety, Sections 59, 65, 67, 79, 88 and 112, the Factories Act, 1948 and the Madhya Pradesh Factories Rules, 1962 have been done away with</p> <p>Upcoming factories are to be exempted from the Industrial Disputes Act, 1947 for the next 1,000 days save for:</p> <p>Chapters VA and sections 25-N, 25-O, 25-P, 25-Q, 25-R of Chapter VB of the Industrial Disputes Act [2]</p> <ul style="list-style-type: none"> Third-party certification for non-hazardous category factories that employ up to 50 workers to be recognised This is as per Business Reform Action Plan, 2016 <p>Amendment brought to Contract Labour (Regulation and Abolition) (Madhya Pradesh) Rules, 1973</p>	<p>Industries, including textiles, iron and steel, automobiles, cement and electrical goods, exempted from the provisions that recognise trade unions as bargaining agents</p> <p>The retained sections deal with (a) approval, licensing and registration of firms, (b) notices provided before occupation or in the case of accidents, (c) inspection procedures, (d) safety of workers, (e) prohibition of child labour, (f) wages for overtime and (g) annual leave with wages, (h) capacity of state government to issue exemption orders and the (i) general power to make rules</p> <ul style="list-style-type: none"> Upcoming factories—Those that register themselves and start production for the first time within the next 1,000 days after the publication of this notification. Firms don't need permission to lay off, but still need permission to retrench <p>Such firms exempted from routine inspections</p> <p>Licence issued for a specified period of time. Presently, firms need to reapply/modify their licences each time new contract labour joins or leaves the firms</p>
	6 May 2020	Amends Madhya Pradesh Industrial Employment (Standing Orders) Act, 1961	Threshold for the standing orders act (define the conditions of work) raised to 100 workers
	Madhya Pradesh Labour Laws (Amendment) Ordinance, 2020	Madhya Pradesh Shram Kalyan Nidhi Adhiniyam, 1982 amended	State government can exempt any firm(s) from this law—concerned with the constitution of a welfare fund for workers
Gujarat	Announced by chief minister on 9 May 2020	New firms to be exempted from all labour laws, except the Minimum Wages, Act, the Employees' Compensation Act and safety-related rules in factories for 1,200 days	New firms—firms set up within a year of this order coming into effect

[1] See the complete list here, <http://uplabour.gov.in/lc/DynamicPages/ActRule.aspx>.

[2] 25-N corresponds to conditions precedent to retrenchment of workers, 25-O procedures for closing down an industry, 25-P special provision as to restarting of undertakings closed down before commencement of the act, 25-Q penalty for lay-off and retrenchment without previous permission and 25-R penalty for closure.

ECONOMIC & POLITICAL WEEKLY

grounds because they have no anchorage in well-defined, mutually agreed upon definitions. A factory owner could deny a worker any compensation arising out of injury by stating that the said individual does not constitute a worker in the first place or the process involved was a peripheral activity that was not related to the core production process. Similarly, it is rather futile to retain the section on overtime if one has already removed chapter six of the act that deals with the length of the working day in the first place. How does one even come to an understanding of what constitutes overtime when regular time itself is undefined? Annual paid leave as per the existing regulations requires a worker to be working regularly for 240 days. Section 2 of the Factories Act defines who a worker is. Section 2 as well as Section 62 deal with the maintenance of registers of all adult workers on the factory floor. Both sections have been done away with in all three states. It is unclear as of now as to which workers' muster rolls will be maintained, or for that matter whether rolls will be maintained at all. This renders the act of retaining the section on annual leaves with payment—Section 79—as MP has done) rather futile. Section 79 mandates,

worker who has worked for a period of 240 days or more in a factory during a calendar year shall be allowed during the subsequent calendar year, leave with wages for a number of days.

Owners are no longer required to maintain registers and can very well avoid providing annual leave with wages. There seems to be little grounds on which the worker can challenge this. Without muster rolls, the liability will fall on the worker to prove their attendance which is nearly impossible.

One obvious question here is whether these are innocuous mistakes made as a result of an oversight. It is our opinion, in fact, that these are well-thought-out loopholes, a sleight of hand of sorts that seek to absolve firm owners of any liability whatsoever. The MP government retains the act that deals with compensation in the case of an accident but decides to remove the very act that defines the safety measures to be followed inside the factory floor in the first place. Or, consider the fact that all three states

do away (or reform in the case of MP) with the Industrial Employment (Standing Orders) Act, 1946 that requires firm owners to define and submit to the certifying officer the terms and conditions of employment. It is difficult to understand how these changes result in a simplification of the legal redressal process. The legal hassles involved with having the presence of two simultaneously applicable and valid interpretations of the same law determined on the basis of when a factory was opened, are a different matter. The message is rather straightforward: simplification is just a ruse to shift the burden of responsibility entirely on labour's shoulders.

Lowest Common Denominator

Two major factors are evident in all this. First, all of these states have done away with the hire and fire "restrictions" imposed upon them. Gujarat and UP have removed even the option of any form of severance pay that could be given to the worker. MP has removed the provisions for lay-off in upcoming industries though it retains the ones for retrenchment, that is, firms will no longer require permission before laying off workers. In a post-COVID-19 scenario where savings would have been reduced to a minimum and debt would be high, this provision of lay-off would result in workers moving away in search of other employment opportunities soon after they are laid off. Second, is the offensive against trade unions. UP and Gujarat have done away with the Trade Unions Act, 1926 while MP has exempted major industries from the Madhya Pradesh Industrial Relations Act, 1960. These states want to do away with any provision in favour of workers collectivising and bargaining for their rights.

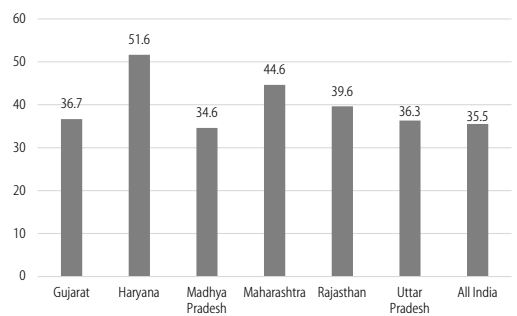
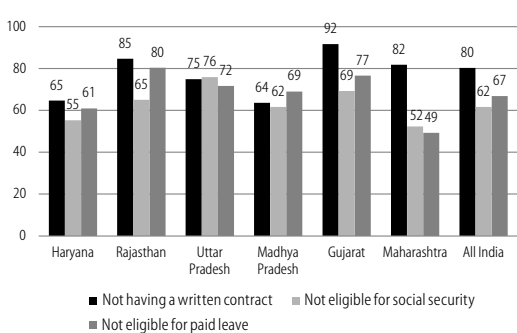
We are already being handed glimpses of what the new work ethos would look like. All the three states, in the name of fighting the ill effects of the pandemic, intend to increase the length of the working day from the 9-hour time period that is currently stated in the Factories Act. Interestingly, while the Factories Act (Amendment) Bill, 2016 sought to extend the number of overtime hours,² the new regulations seem to have abandoned the

overtime question. They seek to directly increase the number of daily working hours to 12 and the weekly hours to 72. This shift from overtime to an increased work day is very significant and has very serious implications. Those familiar with the realities of the shop floor know that the actual number of hours put in by factory workers during a week often exceed the existing 48 hour norms as stipulated by the law. The Periodic Labour Force Survey (PLFS) 2017–18 data too informs us that wage workers inside the factory floor work for an average of 60 hours in a week with only 7% working for 55 hours or less. These extra hours are legally considered as overtime work and their rate of payment by the hour varies from 1.5 to 2 times that of the regular hourly pay. What these new regulations in fact seek to do is to bring these extra hours within the purview of a regular day and thus the workers are deprived of the extra earnings that they would have received if they were ticked as overtime hours.

Amidst this entire brouhaha surrounding production and the need to increase the working hours, these two points are simply missed. Instead of checking the increasing hours of back-breaking work that is becoming the norm in the factory place, the workforce is deprived of the overtime incentive they would have ordinarily received. It needs to be noted that these hours are increasing in a workplace that is no longer mandated to provide restrooms, washrooms, drinking water facilities, etc, for its workforce. With ease of hire and fire and minimal union intrusion one can clearly see how these changes lower the minimum benchmark of workers.

Adding Insult to Injury

If, as suggested by supporters of these labour law changes, the cause of the underdevelopment of regions within India is the stringent labour laws, what explains the experience and condition of labour in the more developed regions? The question we should be asking is: has the suffering of labour reduced in the developed states where investment is much more? Is the experience of labour within these developed regions under COVID-19 in any way different for the

Figure 2: Contractual Density Organised Manufacturing Sector, 2015–16**Figure 3: Conditions of Employment, Wage Workers Employed in the Organised Manufacturing Sector, 2017–18**

labour that is from within the state and the ones from outside?

Between 2014 and 2016, changes in labour laws were introduced by some states, both “developed” and “underdeveloped,” namely Rajasthan, Gujarat, MP, and Maharashtra. At that time, proposals were made to dilute the laws, but not to fully suspend them. It is interesting to note that even then all the states that went ahead with the labour reforms were marked by high levels of contractual density³ (see Figure 2).⁴ The situation with respect to employment conditions in the states that initiated labour reforms in 2015–16 also did not support the rationale that was given then to make the regulatory changes. We note that Gujarat, Rajasthan and MP perform either at par or even worse than the national average, which in itself is abysmal (Figure 3).

Sometimes “concern” for the vast majority of labour is also used to make a case to dilute labour regulation. It is argued that labour laws tend to benefit a handful of workers as a finite set of benefits are concentrated in the hands of few. The rest are deprived because they face barriers to access these benefits. Rather than deliberate on overcoming the barrier,

the proposal is made to dilute the standards for all. Perhaps, the assumption is that the share of labour is limited and it better be spread thinly amongst all. That is the only way one can comprehend the idea of pitting one set of workers against the other, rather than extending protection to all workers. The declining share of wages, increasing contractualisation and poor working conditions within the organised manufacturing sector, where supposedly this “labour aristocracy” resides, clearly show that the issue of maintaining or diluting labour standards is hardly a question of economic facts; rather it is more about reducing the power of labour in general. So rather than seeking a larger share for labour in general, merely pitting

one set of workers against the other has greater currency. To hang the guilt on one set of workers for the precarious conditions of the majority of working force is unfair and unethical.

Overall, the larger context of the labour market in India in which labour laws are being suspended, is worth summarising here. As per the PLFS 2017–18, 45% of regular workers earned less than ₹10,000 per month, and about 12% earned less than ₹5,000 per month. The average wage in rural areas for casual workers in April–June 2018 was ₹282 for men and ₹179 for women and in urban areas, it was ₹335 and ₹201 respectively. Average gross earnings from self-employment are also low on average (for all categories barring rural males) when compared to the minimum wage of ₹9,750 per month arrived at by the expert committee. Given such low levels of earnings, it is difficult to comprehend how India’s workforce sustains itself. Clearly their capacity to survive even for a few days on their savings is negligible. This labour market reality should explain to India’s rich the disturbing images of those who labour, which the whole nation witnessed in the last two months. It is disconcerting that workers in India struggle to make a decent living, even though they work for

considerably long hours. And now they are being told that the regulatory framework to safeguard them is responsible for their plight, and the hope of overcoming hunger is to give up on these safeguards.

What Is New?

What do these changes in labour laws mean for the working class? We feel that we are experiencing a new framing of the development agenda in India. The COVID-19 crisis is being seriously used as an opportunity to strengthen the control of capital over labour. We have covered this deregulation of capital, re-regulation of labour in detail elsewhere (Sood et al 2014). In the past too, policies were made in the name of the poor but they benefited the rich mostly. While the previous ruling regimes diluted labour laws and promoted voluntary regulation, this regime believes that it has the mandate to do it upfront. The nation and the national aspirations are being redefined. Those who oppose it are “outdated,” not worthy of consideration and even “anti-national.” Pushing this agenda, at this time of crisis, serves another useful purpose. It helps put the onus for the current precarious condition of workers not on the government but on a regulatory framework, which is a hangover from the past. It helps to cover up the fact that the state has abdicated all its responsibility towards majority of its working people. Workers have been let down by archaic laws, not by governments.

This fits in with the current scheme of things in other ways too: The nation is now used to seeing victims as perpetrators. Victims are nowadays self-responsible for their suffering. We saw that in cases of lynching, in the case of violence that ensued the day of the bicentenary celebrations of the Bhima Koregaon battle in 2018, and in the case of teachers/students who were injured in the attack in Jawaharlal Nehru University. Those protesting against CAA are responsible for bringing suffering to their community as a result of riots that ensued in north-east Delhi during the protests. Now the same principle is being applied to the vast majority of the labouring population in this country. Those who experienced hunger, starvation, unemployment, humiliation, indignity and

death during the lockdown are now being held responsible for their precarious existence. They are being told that the attempt by the state to “over-protect” them, in the past has made them more vulnerable. The implication of this rationality is grotesque. Since the workers are responsible for their precarity so they will have to pay the cost not only of lockdown but also of rebuilding the economy, livelihood and lives in the post-COVID-19 India.

As argued above, the suspension of labour laws does not make sense either in terms of benefiting labour or bringing in investment. In fact, it does not even help in fostering growth. This comes at a time when a large section of the workforce has already lost out on their earnings because of the lockdown and is resorting to borrowing money to sustain themselves. A recent study by the Centre for Sustainable Employment (2020), Azim Premji University found that two-thirds of their survey respondents reported a loss in employment during the lockdown. There is going to be a severe demand shortage in an already stumbling economy and to take away whatever feeble benefits or safety precautions/liability that the owners had, essentially means the workers need to finance every component of their living, including their healthcare. The squeeze on the demand will be very harmful to even support growth, not to talk about its adverse implications for distribution of income and its impact on increasing the precarity of vast majority of India’s labour force. How can we possibly explain why this is happening and the government’s preoccupation with changing laws when millions of migrants are walking back home on foot under adverse circumstances?

Admittedly, more questions are raised here than answered. Do we pin it down to apathy? Or incompetence? Or lack of information? Any one of these suggestions would be preferable to a realisation that this hostile attitude is very much intentional and has a cold calculated logic behind this. For, the latter raises serious questions regarding the manner in which the ruling class envisions the logic of accumulation that it wishes to proceed with and the role that labour has to play and to what extent.

Are these changes the desired end in themselves or are they just a footnote, a means to something much larger that is being attempted here, namely the reinvention and re-imagination of the labour market itself? A project which seems to be unconcerned that we have the highest levels of unemployment seen in the past 45 years that is fairly agreeable with large swathes of workers leaving industrial pockets and returning back to an economy ravaged by agrarian distress. The events of the last few months seem to suggest, more than ever, that distinctions amongst the working class in terms of organised/unorganised, formal/informal, and migrant/local are being narrowed out. It is also obvious from the hunger and hardships that workers across the board are experiencing with each passing day of the lockdown that the earnings of most workers do not leave them with any savings to survive for more than a few days. Jan Sahas Survey (2020) on 27 March found close to 42% of the workers in their sample without ration.

At the same time, this shared experience of the working class creates opportunities for a new logic of differentiation to emerge, based entirely on the terms and conditions set by the ruling powers that be. The means to achieve this differentiation can be manifold—selective induction into the core labour force accompanied by technological shift, patronage via schemes and transfers for a section of the working class, not part of the core labour force, building relations of neo-bondage with segments of the working class by regulating the mobility of the workers and controlling the avenues for sale of labour power on the whims of capital, taking away all rights of labour to organise and bargain with capital, etc. Each of these in part of full will have far-reaching consequences not only with respect to the condition of workers but for the larger capital–labour dynamics in the country.

One thing is clear enough. The shift in the overall attitude of the state necessitates a drastic shift in terms of how labour pitches its agenda moving forwards. The rights-based approach seems to be found wanting, with both the state and capital displaying utter disinterest towards any appeals made within this

discourse. As a logical extension to this argument, it is time for labour to consolidate across the board taking anchorage in the commonalities of experience that various divisions face today.

NOTES

- 1 www.nationmaster.com/country-info/compare/China/India.
- 2 The Factories (Amendment Bill) 2016 sought to extend the number of overtime hours that were allowed in a quarter from 50 to 100 and in the case of higher workload to 115 and further to 125 if it was deemed to be in the public interest.
- 3 Only MP had a contractual density less than the all-India average.
- 4 Admittedly, there is an argument stating that higher rates of contractual density are, in fact, a result of inflexible labour laws such as the Industrial Disputes Act, 1947 because of which plant owners are forced to hire contract workers in the place of permanent workers. However, from Table 2, we note that it is the “0–19” bin that has the highest contract intensity at 61%, with the “50–99,” “100–299” and “300–499” size classes having roughly the same contract intensity somewhere in the mid-30s.

Table 2: Size Class Distribution of Contract Workers, Organised Manufacturing Sector, 2015–16

Size Class	Contract Intensity	Share of Contract Workers	Average Number of Contract Workers Per Factory
0–19	61.1	31.4	7
20–49	34.7	11.9	16
50–99	36.4	13	37
100–299	33.4	19.8	68
300–499	34.8	9.5	142
500–999	25.2	6.5	126
1000–1999	20.7	4.1	148
2000–2999	12.6	1	100
3000 and above	14	2.8	207

Source: Annual Survey of Industries, 2015–16.

REFERENCES

- Centre for Sustainable Employment (2020): “COVID-19: Analysis of Impact and Relief Measures,” Azim Premji University, <https://cse.azimpremjiuniversity.edu.in/covid19-analysis-of-impact-and-relief-measures/>.
- Genimex (2020): “Genimex, Your Yurnkey Contract Manufacturer,” viewed on 10 May 2020, <https://www.genimexgroup.com/blog-manufacturing-in-china-manufacturing-consumer-goods-india-vs-china/>.
- Gupta, Shekhar (2020): “Yogi Adityanath Brings Massive Labour Law Reforms, Doesn’t Waste Corona Crisis,” *Print*, 9 May.
- Jan Sahas Survey (2020): “Voices of the Invisible Citizens: A Rapid Assessment on the Impact of COVID-19 Lockdown on Internal Migrant Workers, Recommendations for the State, Industry & Philanthropies,” *PARI*, April.
- Krishnan, K P, Anirudh Burman and Suyash Rai (2020): “Migrant Workmen Act, 1979, Must Be Rationalised to Remove Requirements That Disincentivise Formalization,” *Indian Express*, 9 May, <https://indianexpress.com/article/opinion/columns/india-lockdown-inter-state-migrant-workmen-act-6400710/>.
- Nath, P, U Siddiqi and A Sood (2019): “Thinking Growth or Thinking Employment,” *India Exclusion Report 2018-19* (5th ed), New Delhi: Yoda Press.
- Sood, A, P Nath and S Ghosh (2014): “Deregulating Capital, Regulating Labour: The Dynamics in the Manufacturing Sector in India,” *Economic & Political Weekly*, Vol 49, Nos 26 and 27, pp 58–68.

Lives and Livelihood

An Exit Strategy from Lockdown

PARTHA CHATTERJEE, SOMA DEY, SHWETA JAIN

A road map for resuming limited economic activities with necessary precautions in certain industries that can lessen economic pain, given the prevailing situation, has been drawn up in this paper. It identifies industries and districts that can start functioning in a limited manner, informed by geographical, occupational, and other industry-specific data.

How do we tackle the marauding COVID-19 virus which has not only spread to every part of the globe but has also claimed millions of lives? The only way humanity seems to be able to fight back is to shut down everything, stop all kinds of activities, and recede to our homes. In India, travel restrictions and closures of schools, cinema halls, etc, started in February 2020 in some parts of the country. Beginning from 24 March, the country saw one of the severest lockdowns in the world being imposed on 1.3 billion people. As we know that counterfactuals are notoriously difficult to estimate, so we will probably never know how many, but there is no doubt that this lockdown decision has saved many lives.

Needless to say, countless number of people have been suffering income loss and are facing economic hardships during the period of lockdown. While the economic impact of COVID-19 is brutal across all affected countries in the world, for India it can have a much more serious repercussion. India is a developing country with a long way to go before it becomes a developed economy. India's gross domestic product (GDP) has been growing at a reasonable rate, but clearly has to maintain a faster growth rate to ensure a chance to make it to the league of developed countries. This gets more complicated because of the demographic structure—a large percentage of India's population is young right now as India is moving through demographic transition. So, the longer this complete lockdown lasts, more the damage it will cause to the economy and livelihoods of people. The short-run implications are possibly more troublesome at the moment. This episode can push a large number of people into poverty; malnutrition can increase; and people may even face life-threatening hunger. Some observers have brought up the spectre of a famine to describe the impending economic hardships. Thus, while we cannot take drastic steps for resumption of economic activities that can cause numerous deaths, we need to open up the economy as much as possible and as soon as possible. It is impossible to continue the shutdown until a vaccine is developed, which can be 12 to 18 months away.

The Crucial Question

As Kissler et al (2020) report in *Science*, even after the first wave, periodic attacks will continue for a long period of time and intermittent social distancing will be necessary. Further, while people have accepted the lockdown for the time being, if it goes on for too long restlessness will set in among the population, and it will be challenging to ensure compliance. The big question is how to go about this opening up. Clearly, while the

Partha Chatterjee (partha.chatterjee@snu.edu.in) and Shweta Jain (sj312@snu.edu.in) are with the Department of Economics, Shiv Nadar University, Noida. Soma Dey (soma.dey@fms.edu) is with the Faculty of Management Studies, University of Delhi.

lockdown was announced at one go with a few hours of notice, similar big bang announcement to withdraw the lockdown is out of question. So, what are the steps involved? Which geographical areas, industries, firms should we let function first and when? It is critical to have a clear strategy on how to deal with the virus and the economy.

This article tries to answer these questions and lay down a strategy by which the economy can function and adequate social distancing can be maintained. It is possible to save both lives and livelihoods.

The most obvious thing to look at is the geographical distribution of infection. In areas where the spread is limited, or where the number of infected people has come down below a certain threshold, economic activities can be allowed. However, just focusing on this will not be enough to kick-start the economy. The areas that contribute a larger share to the GDP are also the areas where infections are high. Moreover, this can be fickle, with areas moving in and out of lockdown—not very conducive for sustaining economic activities. So, we need to look beyond just infection rates in an area.

We look at those industries that have the potential to continue operating even when a large number of their workforce continues to work from home. This will ensure that a fraction of the economy operates while maintaining social distancing norms as advocated by health professionals. However, this in itself may not be enough. In India, it is possible for at most 15% of all workers to work from home and it is heavily skewed towards certain industries. That can be a problem as all industries use output from some other industries as their input. Some industries are more critical in their ability to supply to other industries. Thus, we need to also consider the network structure of the industries and figure out how to allow the more central industries to operate.

So, finally, we look at the centrality of an industry. We find out which industry supplies to which other industries and create a network. Then we rank each industry in how central they are in the whole production process. We argue that we should allow industries that are quite central in this network to operate with adequate social distancing measures like alternate shifts and reorganising workspaces.

In the following sections, we look at these three criteria that can be used to open up the economy to a certain extent.

Which Geographical Locations?

When we consider withdrawing restrictions in phases, one of the simplest strategies may be resumption of economic activities based on the infection rate in a particular geographical area. To make the plan administratively feasible it is best to consider data at the district level. We can decide which districts can be kept open and which districts should continue with lockdown depending on the extent of spread of COVID-19. What we need to do is to find out the health risk to the population of the district based on the infection rate. Using inputs from health professionals and epidemiologists we can categorise the districts into three groups—high risk, intermediate risk and low risk—based on two cut-offs. These cut-offs can be dynamic and as

more information comes in and the epidemiological model becomes better, we can adjust this number. These cut-offs can also be varied depending on the health infrastructure and preparedness of the district. Economic activities in these three types of districts will be of varying types and degrees. It does not make sense to have a single decision regarding closure of economic activities and restrictions on movement of people in these three types of districts.

However, if we use the infection rate cut-offs as the only criterion to open up districts, then we may not be able to make much headway in our objective resuming economic activities as soon as possible. It is likely that COVID-19 will spread more in districts that generate more income and are also likely to be more densely populated. More economic activity in a district simply increases the likelihood that an infected person interacts with a large number of people and in turn infects some of them. In fact, one of the common places to pick up the infection is the workplace. Aecdotal data bears this out—some of the areas most affected by this novel virus are places like Mumbai, Delhi, Noida, and Indore. If we follow the strategy of only geographical lockdown then it is likely that we will open areas whose contribution to GDP and employment are low.

To check whether areas with high economic activities are also more likely to have higher infection rates, we regress the number of COVID-19 infections in a district as of 12 April 2020 using the data from the Ministry of Health and Family Welfare on night light data of 2013 from each district. Night light data is a proxy for economic activity in that district. Higher density of night lights implies more economic activity in that district. From Figure 1 (p 40), we can see that areas where the night light density is high, spread of COVID-19 seems to be high too.

To formalise this, we first do a simple ordinary least squares, then run regressions by adding a state fixed effect. Finally, we run a third regression that includes the state fixed effect and also a covariate—area of the district.

Table 1: OLS Estimates of the Effect of Night Light and COVID-19 Infections

Variables	Number of Reported Cases of COVID-19		
Average NL 2013	1.631*** [0.24]	3.282*** [.38]	3.32*** [.39]
Constant	1.202 [4.04]	3.17 12.85	0.37 14.63
State fixed effects	N	Y	Y
With covariates	N	N	Y
Observations	320	320	320

Standard errors in brackets.

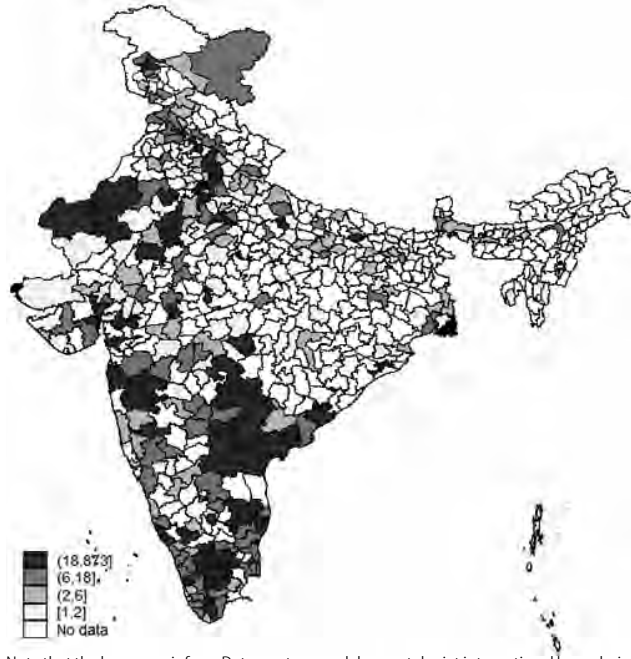
***p<0.01, **p<0.05, *p<0.1.

The results are as we expected. There is a significant positive correlation between night light density and the number of COVID-19 infections in a district. The coefficient is significant in all three regressions. That means, the more productive a district is, the higher is the number of infections. Thus, shutting down all districts with medium to high COVID-19 infections means we are closing down districts that are producing more compared to those with lower or no COVID-19 infections.

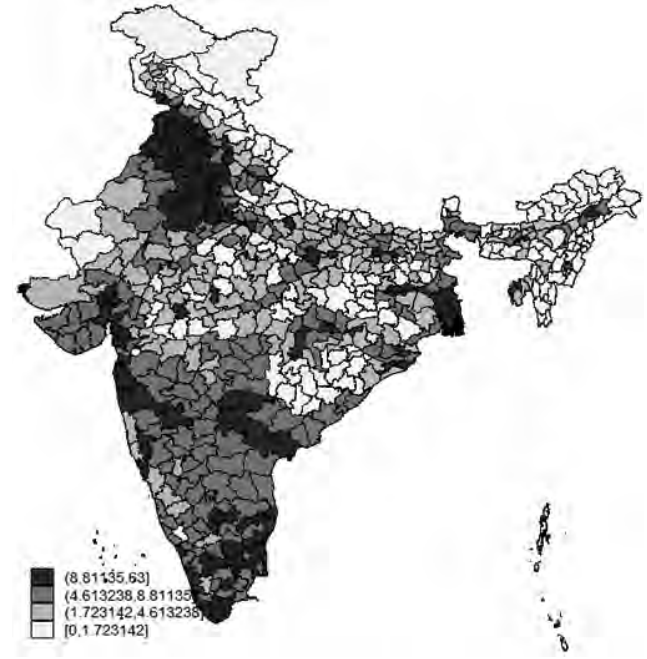
Who Can Work from Home?

So, if we cannot keep the economically active districts open because of the high probability of spreading the infection and we cannot keep them shut if we want economic activities to restart, what do we do? One option is to let people work from home. This will reduce, or even eliminate, interactions across

Figure 1: Night Light and COVID-19 Infections
Confirmed Cases of COVID-19



Average Night Light by District, 2013



Note that the base map is from Datameet.org and does not depict international boundaries.

groups. People can, to borrow the New Zealand Prime Minister’s terminology, stay within their private bubbles.

However, not all jobs can be done remotely away from physical work premises. The question is what type of jobs can be done from home and if the percentage of such jobs is significant. To understand that we need to consider each occupation category and figure out what percentage of workers in that occupation can work from home. Unfortunately, there has not been much work on this in the Indian context. However, recently (Dingel et al 2020) estimated the number of workers by occupation that can work from home. They have used two occupational information network (O*NET) surveys: work context and generalised work activities. They have used the questions within those two surveys to estimate share of jobs that can be done at home in each occupation type. From their study we take the estimate of what percentage of workforce for a particular type of occupation can work from home. Then we use the National Sample Survey Office (NSSO) surveys to estimate the number of people who can work from home for each occupation type. The first challenge in trying to do so is the mapping the categories used in the O*NET survey to NSSO categories. The mapping is shown in the appendix. Another problem is that the latest data available is the NSS 68th round, which is from 2011–12.

In certain sectors the technology might have changed between then and now and as a result the proportion of workers in that sector that can work from home might have changed. However, it is unlikely that overall, the change will be drastic.

In Table 2, we list all occupation types from O*NET, and find the number of workers in each category from NSS data. The

Table 2: Number of Workers and Share of Workers Who Can Work from Home by Occupation

Occupation	Number of Workers	Share of Total	Work from Home Score	Work from Home Nos
Computer and mathematical occupations	14,33,664	0.39	1	14,33,664.00
Education, training, and library occupations	84,43,946	2.32	0.98	82,75,067.08
Legal occupations	5,32,536	0.15	0.97	5,16,559.92
Business and financial operations occupations	60,11,561	1.65	0.88	52,90,173.68
Management occupations	3,50,44,624	9.65	0.87	3,04,88,822.88
Arts, design, entertainment, sports, and media occupations	5,65,001	0.16	0.76	4,29,400.76
Office and administrative support occupations	18,70,891	0.52	0.65	12,16,079.15
Architecture and engineering occupations	15,40,818	0.42	0.61	9,39,898.98
Life, physical, and social science occupations	9,26,413	0.26	0.54	5,00,263.02
Community and social service occupations	10,69,812	0.29	0.37	3,95,830.44
Sales and related occupations	2,01,55,490	5.55	0.28	56,43,537.20
Personal care and service occupations	40,66,056	1.12	0.26	10,57,174.56
Protective service occupations	24,38,263	0.67	0.06	1,46,295.78
Healthcare practitioners and technical occupations	22,97,608	0.63	0.05	1,14,880.40
Transportation and material moving occupations	1,67,43,618	4.61	0.03	5,02,308.54
Healthcare support occupations	92,073	0.03	0.02	1,841.46
Farming, fishing, and forestry occupations	6,72,90,246	18.53	0.01	6,72,902.46
Installation, maintenance, and repair occupations	48,43,430	1.33	0.01	48,434.30
Production occupations	3,08,96,466	8.51	0.01	3,08,964.66
Food preparation and serving related occupations	10,01,66,075	27.58	0	0.00
Building and grounds cleaning and maintenance occupations	3,28,53,826	9.04	0	0.00
Construction and extraction occupations	2,29,05,311	6.31	0	0.00
Customs*	1,71,041	0.05	0.52	88,086.12
Misc**	8,80,680	0.24	0	0.00
Total	36,32,39,449	100		5,80,70,185.39

* Category we created. See text for more details about this. ** Misc includes new workers seeking employment, workers reporting occupations unidentifiable or inadequately described, workers not reporting any occupations. Source: NCO (2004).

third column in the table gives us the share of workers in each occupation type in the total number of full-time workers. The work from home Score column is taken from O*NET which gives the share of workers in that occupation that can work from home. The last column gives us the total number of workers of each occupation type who can work from home.

From the NSS data, as the Table 2 shows, we find that there were 36,32,39,449 workers employed full time.¹ This includes both formal and informal workers. Our calculations tell us that about 15.9%, or 5,80,70,185 workers across various occupation types, can work from home. This estimate compares well with estimates of other developing countries. Saltiel (2020) estimates the share of workers that can work from home in 10 developing countries and finds it ranges from 5.5% in Ghana to 23% in Yunan province of China.

As expected, there is a great degree of variation in the share of people who can work from home for different professions. At the top, for occupations like computer and mathematical operations, 100% of the workforce can work from home. Similarly, a large proportion of workers in education, library and training and legal professions can work from home. At the other end, in construction and extraction sectors, workers simply cannot work from home.

Even if we assume that all people across all occupations who can work from home do end up working from home, it will be a small fraction of the total workforce. In India during the lockdown at most 15.9% of all full-time employed people can potentially work from home. There are two issues with this. One, in many occupations, it is possible for a small fraction of workers to work from home.

But they may not actually be able to work if the main business is closed. For example, an accountant at a steel factory may not have much to do if the steel factory is closed. So, the number of people who can gainfully employ themselves from home will be lower than what we have calculated. The second issue is that even in firms where a large proportion of workers can work from home, a small number of on-site staff is needed to maintain the infrastructure that allows the firm to run. Unless that happens, even the set of people who are capable of working from home, will not be able to do so.

As such, we will have to allow some people to work from location other than homes. Thus, we will have to devise ways where the firms allow only the minimum number of employees to work on-site. This problem has been solved in two different ways in two countries, Sweden and Singapore, in a fashion that typifies each country. In Sweden, it is entirely based on trust and responsibility on part of individuals and businesses. In Singapore, it is the responsibility of the company to maintain the minimum staff required and no more than that and they can be fined if found otherwise. In India, of course this will be much more challenging, not only because of the size—which is disparately different from either of the countries mentioned—but also because of complexities of federalism, lack of trust in the society and the ineffectiveness of penalty systems, and corruption. However, given that already a system of issuing passes for workers considered part

of essential services has been operationalised, that can be extended to give passes to companies which will be expected to resume production. Companies that belong to those sectors where large fraction of people can work from home, can be issued certain number of passes based on their need to keep their operations running. This system of issuing passes will also record the number of workers working away from home for each company which can be audited, and companies fined for misuse. With this we can ensure that a section of workers keep working and certain types of businesses keep functioning.

To understand which industries have the capacity to function well when majority of their workers are working from home, it is not enough to look at classifications of occupations as we have done in Table 2. We need to do this at the level of industry. So, for each industry we decompose the number of workers into different occupation groups. Then using their work-from-home score for that particular occupation, we find out how many workers in that industry can work from home. This helps us classify industries according to share of their workers who can work from home. Table 3 (p 42) gives us the total number of workers, number of workers who can work from home and the share of work from home workers in the total for each industry.

As we see there is a great amount of variation across industry in terms of the share of workers in that industry who can work from home. While for an industry like computer programming, consultancy and related activities, 83% of the workers can work from home, only 1% of them in remediation activities and other waste management services can do so.

In categorising industries according to the percentage of workforce who can work from home, we divide the industries into three categories, MAX-WHF where work from home is possible with minimal support (say, WHF score above 0.7), MID-WHF where work from home is possible with some support (say, work from home between 0.4 and 0.7) and MIN-WFH where work from home is challenging (work from home less than 0.4). Table 4 (p 43) shows the number of distribution of workers and work from homenumbers across the three categories.

As we see from the table, only 1% of the workers are in the category of MAX-WFH and 15% are in MID-WFH category.

Thus, even with this additional criterion, only a small fraction of the Indian economy will open up. Further, there is another serious problem. If the supply chains are disrupted, then even for a firm that can function by allowing its workforce to work mostly from homes, there will not be much work to do. Take, for example, an advertising firm. It is likely they can keep up their operations with their employees working from homes. However, if their clients are not producing that cement that creates the unbreakable wall or that shaving blade with the extra seventh blade, what will they advertise? The problem is, of course, more acute in manufacturing. So, what we need also to do is to look at how central an industry is and find ways to start operating the most central ones first.

How Central?

The output of many industries is used by other industries as inputs. Certain outputs are used by several industries, while some by few and some other outputs may reach

consumers directly. How many different industries use output of one particular industry gives us a sense of how important that industry is in the chain. In terms of resuming economic activities, the importance of such industries is

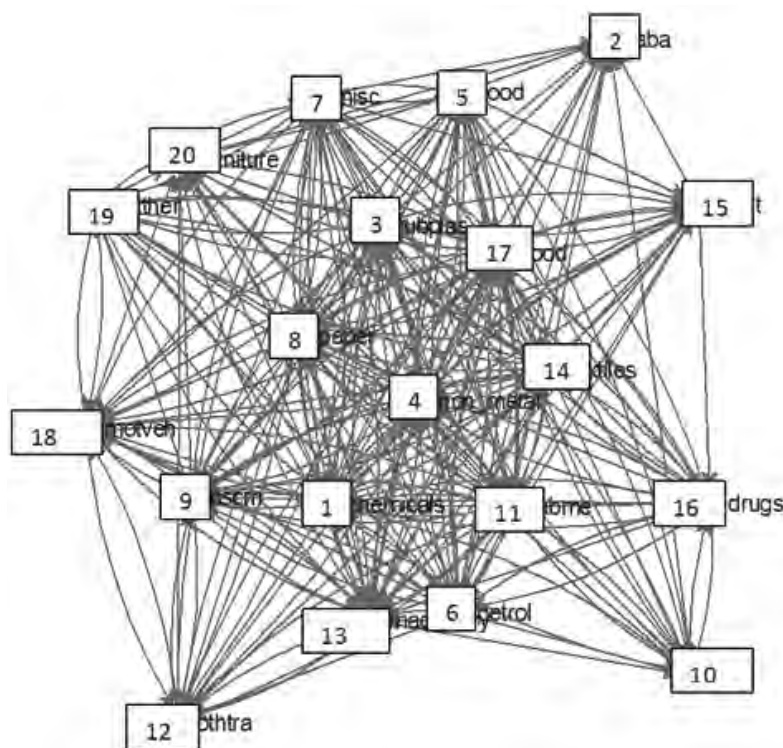
enormous. Of course, it is not all that linear—many industries will use each other's outputs or output of a third industry which uses one of their inputs. So, to understand how central an industry is in the production chain, we analyse the

Table 3: Number of Workers and Share of Workers Who Can Work from Home by Industry

Industry	Total No of Workers	Work From Home Nos	Share of Work From Home	Industry	Total No of Workers	Work From Home Nos	Share of Work From Home
Computer programming, consultancy and related activities	13,60,082	11,22,526.69	0.83	Manufacture of electrical equipment	8,44,205	2,51,653.95	0.30
Legal and accounting activities	10,02,514	7,89,510.75	0.79	Repair and installation of machinery and equipment	852,839	2,42,986.33	0.28
Employment activities	84,409	62,409.34	0.74	Manufacture of machinery and equipment n.e.c	8,84,336	2,44,850.11	0.28
Real estate activities	7,79,751	5,71,234.44	0.73	Warehousing and support activities for transportation	7,95,974	2,19,592.62	0.28
Activities of head offices; management consultancy activities	79,927	56,919.48	0.71	Manufacture of food products	48,98,006	13,20,998.57	0.27
Education	1,19,67,204	82,95,956.605	0.69	Electricity, gas, steam and air conditioning supply	11,05,739	2,95,564.79	0.27
Other financial activities	6,28,984	4,26,211.47	0.68	Manufacture of paper and paper products	411,887	1,06,728.8	0.26
Postal and courier activities	5,35,628	3,62,238.84	0.67	Other personal service activities	49,01,620	12,06,411.22	0.25
Information service activities	4,53,920	3,01,334.21	0.66	Manufacture of fabricated metal products, except machinery and equipment	24,49,551	5,75,130.48	0.23
Insurance, reinsurance and pension funding, except compulsory social security	8,49,027	5,62,683.09	0.66	Manufacture of pharmaceuticals, medicinal chemical and botanical products	7,15,032	1,65,300.21	0.23
Financial service activities, except insurance and pension funding	22,52,066	14,07,949.18	0.63	Repair of computers and personal and household goods	23,54,619	5,41,220.96	0.23
Rental and leasing activities	4,08,950	2,36,351.05	0.58	Libraries, archives, museums and other cultural activities	89,429	20,149.91	0.23
Advertising and market research	1,36,906	78,963.91	0.58	Manufacture of other transport equipment	4,77,870	1,04,214.5	0.22
Extraction of crude petroleum and natural gas	1,79,735	1,01,395.18	0.56	Mining of metal ores	1,19,075	25,887.49	0.22
Motion picture, video and television programme production, sound recording and music publishing activities	77,959	43,057.15	0.55	Human health activities	31,52,609	6,84,660.635	0.22
Architecture and engineering activities; technical testing and analysis	1,74,322	88,811.4	0.51	Mining support service activities	19,990	4,228.52	0.21
Publishing activities	3,49,213	1,69,068.53	0.48	Manufacture of chemicals and chemical products	9,71,213	2,05,426.98	0.21
Accommodation	6,95,079	3,34,380.3	0.48	Social work activities without accommodation	711,789	1,43,615.825	0.20
Office administrative, office support and other business support activities	8,59,612	4,00,527.17	0.47	Other manufacturing	25,74,682	5,17,616.97	0.20
Broadcasting and programming activities	59,838	26,482.21	0.44	Manufacture of wearing apparel	69,14,484	12,96,358.79	0.19
Sports activities and amusement and recreation activities	1,42,423	62,827.13	0.44	Services to buildings and landscape activities	2,68,134	48,256.88	0.18
Scientific research and development	73,092	32,058.56	0.44	Manufacture of rubber and plastics products	9,83,646	1,76,721.6	0.18
Retail trade, except of motor vehicles and motorcycles	294,48,944	1,26,25,117.32	0.43	Manufacture of wood and products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	30,08,833	4,94,516.16	0.16
Wholesale trade, except of motor vehicles and motorcycles	44,70,239	19,02,048.47	0.43	Water transport	1,24,313	20,278.46	0.16
Gambling and betting activities	71,358	28,075.17	0.39	Land transport and transport via pipelines	1,49,06,052	22,94,613.045	0.15
Telecommunications	9,16,396	3,54,761.52	0.39	Residential care activities	1,39,204	20,761.22	0.15
Creative, arts and entertainment activities	500,125	1,91,081.9	0.38	Manufacture of basic metals	13,12,435	1,79,093.12	0.14
Manufacture of computer, electronic and optical products	3,80,664	1,43,382.01	0.38	Mining of coal and lignite	5,86,522	79,587.97	0.14
Air transport	96,481	36,298.26	0.38	Manufacture of furniture	19,64,396	2,64,734.22	0.13
Public administration and defence; compulsory social security	65,87,368	24,65,398.44	0.37	Veterinary activities	1,31,714	17,259.595	0.13
Other professional, scientific and technical activities	6,41,776	239,606.12	0.37	Manufacture of leather and related products	11,09,992	1,42,711.9	0.13
Activities of membership organisations	8,45,022	310,239.43	0.37	Manufacture of textiles	68,17,366	8,71,605.65	0.13
Food and beverage service activities	55,12,738	20,06,063.83	0.36	Waste collection, treatment and disposal activities; materials recovery	6,11,907	73,587.04	0.12
Travel agency, tour operator and other reservation service activities	3,90,038	1,33,238.19	0.34	Forestry and logging	6,93,433	79,143.61	0.11
Water collection, treatment and supply	2,55,239	84,565.41	0.33	Manufacture of other non-metallic mineral products	36,31,232	4,10,836.42	0.11
Printing and reproduction of recorded media	5,01,158	1,65,211.24	0.33	Security and investigation activities	621,631	70,191.67	0.11
Manufacture of motor vehicles, trailers and semi-trailers	8,39,493	2,72,131.9	0.32	Activities of households as employers of domestic personnel	31,35,472	3,47,100.46	0.11
Activities of extraterritorial organisations and bodies	12,277	3,944.81	0.32	Manufacture of tobacco products	35,58,796	3,32,397.35	0.09
Wholesale and retail trade and repair of motor vehicles and motorcycles	28,69,635	8,86,802.34	0.31	Other mining and quarrying	13,08,951	1,13,439.83	0.09
Manufacture of coke and refined petroleum products	1,45,492	44,479.18	0.31	Civil engineering	49,55,516	3,88,356.36	0.08
Manufacture of beverages	4,20,237	1,26,608.82	0.30	Specialised construction activities	34,92,987	2,40,992.13	0.07
				Fishing and aquaculture	12,29,928	73,634.89	0.06
				Construction of buildings	2,82,39,135	15,81,036.37	0.06
				Sewerage	57,015	2,762.45	0.05
				Crop and animal production, hunting and related service activities	15,89,54,092	37,34,606.275	0.02
				Remediation activities and other waste management services	18,952	138.55	0.01

Source: NIC (2008).

Figure 2: Network of Industries



network (Figure 2). Since we are using Annual Survey of Industries (Asi) data, we are limited to using data from manufacturing sector only. We find out all the linkages and plot them.

We rank each industry according to its centrality in the network. Higher rank (say, rank 1) means that that particular

Table 4: Categorisation of Industries by Cut-offs Based on Share of Workers Who Can Work From Home

Range	Category	WFH No	Share of Total	No of Workers	Share of Workers
WHF > 0.7	MAX-WFH	2602600.7	0.01	33,06,683	0.01
0.4 < WHF < 0.7	MID-WFH	27457461.8	0.08	5,37,63,141	0.15
WHF < 0.4	MIN-WFH	27722849.5	0.08	29,80,92,100	0.84

Table 5: Ranking of Industries

Industry	Rank
Manufacture of chemicals and chemical products	1
Manufacture of tobacco products	2
Manufacture of rubber and plastics products	3
Manufacture of other non-metallic mineral products	4
Manufacture of food products	5
Manufacture of coke and refined petroleum products	6
Other manufacturing	7
Manufacture of paper and paper products	8
Manufacture of basic metals	9
Manufacture of beverages	10
Manufacture of fabricated metal products	11
Manufacture of other transport equipment	12
Manufacture of all types of machinery	13
Manufacture of textiles and wearing apparel	14
Printing and reproduction of recorded media	15
Manufacture of pharmaceuticals	16
Manufacture of wood and products of wood	17
Manufacture of motor vehicles, trailers and semi-trailers	18
Manufacture of leather and related products	19
Manufacture of furniture	20

industry supplies to several other industries. Keeping their output flowing will be critical to opening up other industries. Note that it not only matters how many industries one particular industry supplies to, but also how central those other industries are. Table 5 shows the industries and their ranks.

What we find is that manufacturing of chemicals and chemical products is quite central to all of the manufacturing processes. That industry needs to resume production at the earliest. This is quite important to understand. Suppose, for example, it is decided that for whatever reason manufacturers of leather and related products will be allowed to resume production, but not the manufacturers of chemicals and chemical products. This might then be a pointless exercise, since without supply of chemicals the leather industry may not be able to operate.

Recommendations

We recommend a three-step process for identifying districts and industries where economic activities can be resumed in a staggered manner, following all necessary precautions. We choose

districts as the unit of analysis for this purpose, both for reasons of availability of data and administrative ease. In the first step, we identify districts by their current infection rates. We seek two cut-offs—a higher cut-off (the upper bound) and a lower cut-off (the lower bound)—to be obtained from epidemiologists and other scientists working in this area. The higher cut-off gives the infection rate beyond which a district is completely shut down and steps 2 and 3 (discussed later) are not applicable. These are the high-risk areas. The medium-risk districts are those whose infection rate lies between the higher and the lower cut-off. For these districts, steps 2 and 3 are followed and decisions are made at district level based on those criteria. The low-risk districts are those where infection rates are below the lower cut-off value. These districts can opt for a variety of economic activities (using steps 2 and 3) but simultaneously making sure that the social distancing and use of proper protection gears (as recommended by the Indian Council of Medical Research) are maintained. The infection rates can be calculated by the method of moving average over a period of seven days.

Economic & Political WEEKLY

available at

Delhi Magazine Distributors Pvt Ltd

110, Bangla Sahib Marg

New Delhi 110 001

Ph: 41561062/63

Once the medium-risk and low-risk districts are identified, we go to step 2. In the second step, we categorise industries according to the percentage of workforce who can work from home. Here again we divide the industries into three categories, MAX-WFH where work from home is possible with minimal support (say, WHF score above 0.7), MID-WFH where work from home is possible with some support (say, work from home between 0.4 and 0.7), and MIN-WFH where work from home is challenging (work from home less than 0.4). Industries that belong to MAX-WFH employ 0.9% of all full-time workers in India, whereas 15.1% of full-time workers belong to the MID-WFH industries. The rest are in MIN-WFH industries. A firm that is in the MAX-WFH score can be allowed to operate in all districts. Both, MAX-WFH and MID-WFH can operate in an intermediate-risk district by allowing the minimum number of on-site employees that are absolutely needed for the running of the firm. The district administration can use a system of passes, which can be audited, to ensure no more than the minimum staff are working from on-site locations and all necessary precautions, including maintaining social distancing and basic hygiene, are followed by these firms.

For MID-WFH and MIN-WFH (and those who do not fall under emergency services), we go to step 3. In step 3, the selection criterion is based on the centrality of the industry. The industries are ranked according to their centrality. The medium-risk to low-risk district administrations can then consider allowing the more central industries to resume partial production, even if the work from home score for those industries is less than 0.4 (MIN-WFH). Once again, the focus should be on maintaining appropriate precautionary measures

and the administration must ensure compliance. By this criterion, a medium-risk district may allow its chemical units to (partially) operate, but will not immediately allow the wood product manufacturers to open shop. We can choose a cut-off of allowing the top 60% of the most central industries, or we can allow a graded response with the opening of a few of the most central industries and then reviewing the decision every seven days. A district whose infection rates are close to the upper limit may opt for a graded response, while a district with infection rate close to the lower limit may opt to open more sectors simultaneously. Steps like staggered shifts can be taken so that social distancing is maintained.

Conclusions

The COVID-19 pandemic is both a health crisis and an economic disaster in the making. An extended lockdown with very limited economic activity has probably worked well as an initial response for India. But a continuation of that strategy may not be viable for a country which is still developing, undergoing a demographic transition, has a large informal sector, and a high proportion of small and medium businesses for whom a prolonged loss of income will have catastrophic implications. This paper provides a road map for resuming limited economic activities with necessary precautions in certain industries that can lessen economic pain given the prevailing situation. The idea is to identify industries and districts that can start functioning in a limited manner, informed by geographical, occupational, and other industry-specific data. In this paper, we do not specifically address agriculture which probably can be, and needs to be, kept functioning.

NOTE

- 1 We did a similar exercise using the part-time workers. The results are quite similar.

REFERENCES

- Acemoglu, D, V M Carvalho, A Ozdaglar and A Tahbaz-Salehi (2012): "The Network Origins of Aggregate Fluctuations," *Econometrica*, Vol 80, No 5, pp 1977–2016.
- Asher, S, T Lunt, R Matsuura and P Novosad (2019): *The Socioeconomic High-resolution Rural-Urban Geographic Dataset on India (SHRUG)*, working paper.
- Boehm, J, S Dhingra, J Morrow et al (2016): "Swimming Upstream: Input-output Linkages and the Direction of Product Adoption," Cep discussion paper (1407).
- Dingel, J I and B Neiman (2020): "How Many Jobs Can Be Done at Home?" technical report, National Bureau of Economic Research.
- Henderson, J V, A Storeygard and D N Weil (2011): "A Bright Idea for Measuring Economic Growth," *American Economic Review*, Vol 101, No 2, pp 194–99.
- Kissler, S M, C Tedijanto, E Goldstein, Y H Grad and M Lipsitch (2020): "Projecting the Transmission Dynamics of Sars-CoV-2 through the Post-pandemic Period," *Science*, Vol 368, No 6493, pp 860–68.
- Saltiel, F (2020): "Who Can Work From Home in Developing Countries?" technical report, University of Maryland.
- that information we created network maps which indicate the interdependence of each industry on others (Acemoglu et al 2012; Boehm et al 2016).
- latest round available. Individuals who are surveyed provide information on their occupation which are classified under National Classification of Occupations. We have matched these classifications with the O*NET classification and then we have reported the numbers of workers for each occupation who can work from home. We have evaluated the number of workers who can work from home by Industry. The NSS also reports to which industry an individual belongs, according to National Industrial Classification (NIC) 2008. For each industry, we approximated the number of workers according to O*NET occupation categories and derived the total number of workers. Using ASI data 2009–10, we estimated the flow matrix for buy and sell and then using

Appendix: Data Sources

We have estimated average night light using two databases, namely the Socioeconomic High-resolution Rural–Urban Geographic (SHRUG) and Census 2011. The SHRUG platform provides district-wise night light for India (for details, see Asher et al 2019; Henderson et al 2011). From Census 2011, we got the area of each district which helped us to calculate the average night light for each district. For creating India's map with district bifurcation, shapefiles (.shp and .dbf) were downloaded from the website-datameet.org. To estimate the number of workers for each of the occupations, we used NSS 2011–12 Employment and Unemployment Survey 2011–12 (Round 68th), which is the

Economic&PoliticalWEEKLY

available at

Life Book House

Shop No 7, Masjid Betul
Mukarram Subji Mandi Road
Bhopal 462 001
Madhya Pradesh
Ph: 2740705

Rapid Growth of Private Universities

Transformation of the University Space

ANIRBAN SENGUPTA

Over the last two decades India has witnessed a rapid rise in the number of private universities. Various state governments have encouraged and justified this growth in order to increase enrolment in higher education, and private capital has welcomed this state encouragement. However, the implications of this move on access to higher education and the variety of other challenges that it presents are debated. Based on higher education enrolment data from the All India Survey on Higher Education, this paper attempts to study the social and academic character of universities to understand the consequences of the rapid growth of private universities for the university space as a whole.

The National Knowledge Commission (NKC), appointed by the Planning Commission of India, in its 2008 report titled “Towards a Knowledge Society: Three Years of the National Knowledge Commission,” emphasised the need for private investment in education for radically enhancing enrolment in higher education. This recommendation came in the context of a premise that government financing was insufficient for supporting the scale at which educational opportunity needed to expand at the time (NKC 2008). In India, private investment at the level of universities has either led to the establishment of institutions deemed to be universities (deemed universities, hereafter) approved by the University Grants Commission (UGC), Government of India, and private universities approved by different state governments. Between the second half of the 1990s—the period during which the initial private universities were established—and 2008, the number of deemed universities in India increased from 33 to 116 (UGC 2018). A majority of these new institutions were set up with private capital (GoI 2014).

This spectacular growth in the number of deemed universities suddenly decelerated after 2009 as a result of a decision of the Ministry of Human Resource Development (MHRD) to withdraw recognition of 44 deemed universities and to put an equally large number of institutions under the scanner, based on an assessment of their quality of education and management patterns (NDTV 2010). A few years prior, in 2005, the Supreme Court had quashed the credibility of different provisions of the Chhattisgarh Private Universities (Establishment and Operation) Act, 2005, and had upheld the UGC (Establishment of and Maintenance of Standards in Private Universities) Regulations, 2003 (CED 2005; UGC 2003). By bringing better clarity regarding the legal framework for setting up and operating state private universities, this verdict encouraged both state governments and private capital to work on the establishment of state private universities. With the future of deemed universities unclear, private capital began gravitating towards state private universities. As a result, between 2006 and 2018 the number of state private universities swelled from 19 to 290, of which 223 were established after 2009 (UGC 2018).

The NKC report noted that till 2008, private investment in higher education mostly remained restricted to fields like engineering, management, and medicine, where majority of the seats were in private institutions. In comparison, private investment remained virtually absent from universities offering non-professional education, where the bulk of students

The author is grateful to the anonymous referee for commenting on an earlier draft of this paper.

Anirban Sengupta (anirban@aud.ac.in) is with the School of Development Studies, Ambedkar University, Delhi.

pursued their higher studies (NKC 2008). More than a decade has passed since the publication of the NKC report. While investment in private deemed universities has experienced stagnation during this period, the number of state private universities has increased substantially. The privatisation in higher education has remained a highly contested terrain and a lot has been contributed towards a public–private debate in higher education. But, the sheer growth of private universities is an indication that the privatisation of higher education is a reality in India. It is, therefore, important to examine the ways in which this rapid growth in investment of private capital towards establishment of universities has influenced the university space as a whole in India. This paper attempts to understand the evolving social and academic character of private and public universities in contemporary times. It seeks to explore whether and how the rapid growth of private universities is transforming the university space as whole. As a generic term, “private university” will include private deemed universities and state private universities, whereas “public university” will include central universities and state public universities. The next section seeks to look at some of the broad ways in which existing literature has attempted to connect private capital investment in higher education with access to quality higher education.

Increased Private Investment

The question of whether higher education should be considered a public or a private good still remains an important topic of academic debate. However, in state-level deliberations around the world over the last few decades, it is clear that there is an increasing policy interest in considering higher education as a private good. This often explains the lack of interest on the part of some countries to continue their investment in higher education. While states today lack interest in funding higher education, they are quite keen to enhance access to higher education. Therefore, it is not surprising that across the world many governments are opting for public policy choices towards promotion of private higher education institutions (Altbach 1998). It is often argued that private capital in higher education contributes towards access by creating cost-effective institutions with high enrolment ratios. Besides, private institutions also claim to improve access by enrolling those who want to study, but either fail to secure admission at public institutions of their choice or choose not to study at public institutions because of different reasons, including turbulence caused on campus by student politics. By innovating around programme delivery modes, class timings, and institutionalised ways to allow students to earn while studying, private institutions apparently make higher education accessible to those who cannot pursue a traditional full-time programme because of a clash between their curricular and other commitments (Levy 2008). Evidence of such a contribution of private institutions is visible in countries like Poland, where approximately 75% of private institution enrolments are part-time students who perceive higher education as a tool for mobility (Duczmal 2005).

While private investment in higher education has led to the establishment of elite and semi-elite institutions, the segment of private institutions that is the largest and is experiencing the fastest growth is the “demand-absorbing” sector. A large subcategory of these institutions has often been criticised for lacking in terms of seriousness and academic quality. The quality question has become even more important as recent growth of private institutions is mostly visible in the developing countries where the state’s capacity to govern private capital in higher education to maintain quality is relatively weak (Altbach et al 2009). One of the main concerns around the quality of private higher education revolves around faculty recruitment and their involvement with research. For example, at private universities in Bangladesh, the student to full-time teacher ratio is alarmingly low (Hopper 2005). In India, both private colleges and private deemed universities have been criticised for their excessive involvement with undergraduate and short-term saleable programmes in selected professional disciplines at the cost of their contribution towards research activities (Agarwal 2009). Quality and recognition are the reasons why even today students in many countries prefer a degree from a public institution over those from a non-elite private institution (Nicolescu 2005). While some have underlined the need for robust quality-control mechanism for private higher education institutions (Narayana 2006), others are doubtful about the ability of the state to regulate politically and economically powerful private institutions (Tilak 2014).

Other than quality, equity has remained an important concern around private higher education. In India, it has been noted that transferring of educational expenditure to households through privatisation results in relatively lower expenditure incurred on education of underprivileged groups like those having lower incomes, girls, Scheduled Castes (scs), Scheduled Tribes (sts), Other Backward Classes (obcs), and rural students, when compared with the privileged groups (Duraismy and Duraismy 2016). This obviously becomes a challenge if higher education is to be visualised as a tool for social mobility. The challenge becomes even greater in an environment where state involvement in enhancing accessibility of private institutions through availability of affordable loans, development of fee reimbursement schemes, provision of interest subsidy on loans, and mandating of admission quotas for weaker sections remains considerably limited (Abrol 2006; Chattopadhyay 2009; Bhoi 2013; Kumar 2014; Tilak 2014). It has also been argued that privatisation of higher education has reduced real disciplinary choice for a student as high educational expenditure compels them to opt only for disciplines that promise jobs remunerative enough to repay educational loans (Nayak 2013, 2014).

Equity of Access

In India, for a long period, most of the private institutions in professional education remained concentrated in Karnataka, Andhra Pradesh, Tamil Nadu (TN), and Maharashtra, which had a history of having a more favourable policy environment for private higher education. Over the years, such a geographical

concentration of private higher education institutions encouraged a disproportionately high education-led migration of youth to these states, giving rise to questions of access for local students (Deshpande 1991). The question of equity in access has also evolved as a result of high fees charged by private institutions (Anandakrishnan 2007). Private institutions have, however, justified high fees by citing their need to comply with infrastructural expectations of statutory councils, to offer competitive salaries to attract qualified teachers, and also to prepare for eventualities that may develop in future (Bhoite 2009).

The high fees charged by private universities have been a point of contention between these institutions and the relevant public authorities. For example, in China, government officials have blamed private institutions for manipulating official policy in the interest of profit-making, while the institutions have accused the government of not allowing them to be autonomous and operate in terms of market (Lin 2005). It is also important to note that while critiques have questioned high fee-charging private institutions for promoting inequity, there is a popular shift among dominant groups away from the need to consider equity as an essential aim of higher education institutions (Altbach et al 2009). For example, in Egypt the connection between higher education and equity is considered as a thing of the past (Farang 2005). Likewise, many privileged Bangladeshis opine that taxpayers' money should not be used for higher education as its benefits are accrued by individuals and not society (Hopper 2005).

With the growth of private higher education institutions, changes are also visible in public institutions. For example, in Romania, which has experienced rapid growth in private higher education institutions after the collapse of the communist regime, public institutions have also been permitted to charge a tuition fee from students (Nicolescu 2005). In Bangladesh, the development of private universities has, at times, stimulated public universities to offer programmes oriented towards the employment market (Hopper 2005). A pressure has developed on public institutions today to raise their own resources, be entrepreneurial and competitive, and demonstrate more efficiency in management. While all these have been justified in terms of promotion of academic and financial autonomy of public institutions, critics have expressed anxieties about the detrimental effect of such emphasis on revenue generation, on the traditional role of educational institutions, including teaching and research (Altbach et al 2009).

Here, it is important to recognise the diversity within the private institutions. In India, while most private institutions depend on fees to generate surplus, few enjoy the benefit of having a substantial initial endowment (Bhoite 2009). It has been observed that many private universities set up by individuals and families with a sole profit motivation constituted their governing boards with docile persons. However, a few set up by respectable philanthropic or corporate entities interested in protecting their reputation sought to constitute their governing boards with reputed and respected persons (Anandakrishnan 2007). While on the one hand,

such disaggregated picture questions the universalising media rhetoric that private universities are bound to be of high quality (Naik 2001), it also questions the other extreme position that credibility of institutions is questionable whenever they are privately funded. While there are substantial grounds for critique, it is also a reality that in professional fields like engineering, medicine, and management most students in India today graduate from private institutions. A few of the private institutions have even developed infrastructure that is far better than that available at many underfinanced state-run institutions. While the quality of education delivered at private institutions has been at the receiving end of considerable criticism, the same criticism can often be extended to underfinanced state-run institutions as well (Bhoite 2009).

On the whole, the discussion around private higher education has over the years been somewhat restricted to predictable arguments either in favour or against private higher education. One of the reasons for this is the limited attempts at exploring the existing heterogeneity among these institutions, both public as well as private. While accepting that "only those who can afford will be able to take the advantage of private higher education," it is important to ask certain intersectional questions. This paper attempts to explore these intersections by analysing enrolment data available in the All India Survey on Higher Education (AISHE).

Given that AISHE data is generated from self-reporting by participating higher educational institutions, methodologically, there is always a possibility for some amount of error due to misreporting by some institutions. However, since all institutional and non-institutional users of this database have free online access to the information submitted, all data are subjected to scrutiny of the public, including the institutions' own students and staff. While the survey requires institutions to submit information regarding academic programmes, student enrolment, examination results, teaching and non-teaching staff, financial receipts and expenditure, infrastructural facilities, and availability of scholarships and loans for students, more elaborate information is sought regarding programmes and student enrolment. Therefore, there are restrictions on the kind of analysis that can be done with the help of this data. However, the AISHE survey is the only source to obtain a comprehensive picture about higher education in India today. Besides, as the survey is conducted every year, it is the only data set that captures the trends in Indian higher education.

Social Categories and University Enrolment

Given that people's identities extend to the spaces they inhabit and traverse, it is no surprise that the university space, too, attains a social character depending on those who occupy it at any given point of time and over the years. This social character demonstrates how larger society considers different institutions of higher education. In state-funded institutions attempts have been made through reservation policy to ensure that socially disadvantaged groups find space at the university. In comparison, the state has not always made it

mandatory for private institutions to implement reservation or adopt any other policies for inclusion. Likewise, private universities are often not mandated to admit domiciles of the region where they are located. Therefore, a difference in the social character of these two categories of institutions is quite expected. Here it is worthwhile to explore whether and how the

social character of the university space is transforming with the growth of private universities.

Leaving aside exceptions in certain tribal majority states of North East India (not included here), Table 1 shows a clear tendency for private universities to have lower proportion of sc and st students when compared with the public universities.

Table 1: Category-wise Distribution of Students in Selected States

States and Presence of Social Groups Therein (during 2016–17)	University Types and Numbers	Scheduled Castes		Scheduled Tribes		Other Backward Classes		Others	
		2011–12	2016–17	2011–12	2016–17	2011–12	2016–17	2011–12	2016–17
Gujarat	Private	1,438 (5.61%) and	2,282 (4.3%)	137 (4.43%) and	1,843 (3.47%)	3,929 (15.32%) and	8,426 (15.87%)	19,139 (74.64%) and	40,530 (76.36%)
SC: 6.74%	(33)								
ST: 14.8%	Public	4,357 (6.75%) and	6,925 (6.98%)	3,831 (5.93%) and	5,158 (5.2%)	11,667 (18.07%) and	24,283 (24.47%)	44,712 (69.25%) and	62,882 (63.36%)
OBC: 40.2%	(29)								
Haryana	Private	417 (1.85%) and	1,717 (3.67%)	25 (0.11%) and	197 (0.42%)	1,720 (7.64%) and	7,056 (15.09%)	20,350 (90.4%) and	37,794 (80.82%)
SC: 20.17%	(22)								
ST: None	Public	6,712 (13.96%) and	7,239 (14.69%)	0 (0%) and	126 (0.26%)	8,409 (17.49%) and	11,558 (23.46%)	32,961 (68.55%) and	30,352 (61.6%)
OBC: 28.3%	(17)								
Himachal Pradesh	Private	817 (5.82%) and	2,928 (11.71%)	322 (2.3%) and	1,026 (4.1%)	970 (6.91%) and	2,007 (8.02%)	11,921 (84.97%) and	19,049 (76.17%)
SC: 25.19%	(17)								
ST: 5.7%	Public	808 (14.71%) and	1,232 (14.25%)	451 (8.21%) and	677 (7.83%)	173 (3.15%) and	500 (5.78%)	4,061 (73.93%) and	6,236 (72.13%)
OBC: 17.1%	(6)								
Karnataka	Private	383 (1.66%) and	2,838 (4.49%)	230 (1%) and	907 (1.44%)	2,984 (12.92%) and	13,470 (21.31%)	19,505 (84.43%) and	45,983 (72.76%)
SC: 17.15%	(25)								
ST: 7%	Public	6,460 (18.44%) and	8,210 (20.14%)	2,144 (6.12%) and	2,928 (7.18%)	12,959 (36.99%) and	16,174 (39.67%)	13,473 (38.45%) and	13,458 (33.01%)
OBC: 55.5%	(32)								
Madhya Pradesh	Private	230 (3.99%) and	2,466 (6.4%)	51 (0.89%) and	984 (2.55%)	1,028 (17.84%) and	12,056 (31.27%)	4,452 (77.28%) and	23,047 (59.78%)
SC: 15.62%	(26)								
ST: 21.1%	Public	6,480 (2.85%) and	22,438 (15.18%)	3,312 (1.46%) and	12,842 (8.69%)	8,325 (3.67%) and	54,840 (37.11%)	2,08,928 (92.02%) and	57,672 (39.02%)
OBC: 41.5%	(24)								
Maharashtra	Private	1,110 (4.71%) and	1,074 (3.91%)	418 (1.77%) and	298 (1.08%)	2,798 (11.86%) and	2,738 (9.96%)	19,263 (81.66%) and	23,367 (85.04%)
SC: 11.81%	(21)								
ST: 9.4%	Public	7,759 (11.77%) and	7,388 (12.22%)	1,119 (1.7%) and	1,660 (2.75%)	9,043 (13.71%) and	12,552 (20.77%)	48,015 (72.82%) and	38,840 (64.26%)
OBC: 33.8%	(24)								
Punjab	Private	870 (2.2%) and	13,361 (14.9%)	26 (0.07%) and	623 (0.69%)	186 (0.47%) and	9,065 (10.11%)	38,519 (97.27%) and	66,615 (74.29%)
SC: 31.94%	(16)								
ST: None	Public	3,156 (12.77%) and	5,045 (14.5%)	64 (0.26%) and	155 (0.45%)	783 (3.17%) and	1,624 (4.67%)	20,715 (83.81%) and	27,977 (80.39%)
OBC: 16.1%	(10)								
Rajasthan	Private	1,675 (3.4%) and	4,949 (5.17%)	1,018 (2.07%) and	2,641 (2.76%)	7,824 (15.87%) and	18,996 (19.83%)	38,771 (78.66%) and	69,191 (72.24%)
SC: 17.83%	(53)								
ST: 13.5%	Public	7,936 (11.57%) and	8,191 (13.38%)	3,418 (4.99%) and	3,730 (6.1%)	24,115 (35.17%) and	22,263 (36.38%)	33,095 (48.27%) and	27,013 (44.14%)
OBC: 47.3%	(24)								
Tamil Nadu	Private	7,980 (4.69%) and	7,825 (3.91%)	1,102 (0.65%) and	948 (0.47%)	76,509 (45.01%) and	68,664 (34.3%)	84,383 (49.64%) and	1,22,725 (61.31%)
SC: 20.01%	(26)								
ST: 1.1%	Public	21,872 (26.49%) and	14,208 (26.19%)	1,259 (1.53%) and	614 (1.13%)	35,582 (43.1%) and	32,889 (60.63%)	23,842 (28.88%) and	6,530 (12.04%)
OBC: 76.1%	(24)								
Uttar Pradesh	Private	4,088 (5.3%) and	10,316 (7.49%)	348 (0.45%) and	962 (0.7%)	14,244 (18.45%) and	27,960 (20.29%)	58,514 (75.8%) and	98,546 (71.52%)
SC: 20.70%	(33)								
ST: 0.6%	Public	17,784 (14.49%) and	19,331 (14.71%)	2,078 (1.69%) and	2,751 (2.09%)	34,053 (27.75%) and	38,681 (29.43%)	68,778 (56.06%) and	70,678 (53.77%)
OBC: 54.5%	(35)								
Uttarakhand	Private	480 (3.18%) and	1,455 (3.36%)	96 (0.64%) and	675 (1.56%)	1,173 (7.78%) and	5,047 (11.66%)	13,332 (88.4%) and	36,098 (83.42%)
SC: 18.76%	(17)								
ST: 2.9%	Public	1,526 (6.37%) and	6,335 (17.71%)	335 (1.4%) and	615 (1.72%)	1,431 (5.97%) and	2,619 (7.32%)	20,666 (86.26%) and	26,196 (73.24%)
OBC: 18.3%	(12)								
India	Private	21,678 (4.08%) and	57,218 (5.99%)	10,549 (1.99%) and	23,255 (2.43%)	1,19,092 (22.44%) and	1,95,739 (20.49%)	3,79,415 (71.49%) and	6,78,964 (71.08%)
SC: 16.63%	(369)								
T: 8.6%	Public	1,23,382 (10.76%) and	1,64,130 (13.55%)	41,227 (3.59%) and	71,279 (5.88%)	2,10,275 (18.33%) and	3,38,750 (27.96%)	7,72,307 (67.32%) and	6,37,412 (52.61%)
OBC: 44%	(424)								
Muslims: 14.2%									

(1) Private universities includes state private universities and private deemed universities, whereas public universities include central and state public universities.

(2) Only those states have been included in this table that has at least 15 private universities, including private deemed universities and state private universities. It is presumed that effect of private universities will be visible more in states that have a sizeable number of private universities.

(3) SC: Scheduled Caste; ST: Scheduled Tribe; OBC: Other Backward Classes.

* Includes all students who do not fall in the SC, ST and OBC categories.

Source: All India Survey on Higher Education (AISHE) 2011–12 and AISHE 2016–17 data on enrolment, AISHE 2016–17 data on number of institutions (Gol 2014, 2017); and Census of India 2011 data (for SC, ST, and OBC population proportions in states) (Gol 2013, 2016).

In comparison to SCs and STs, the proportion of OBC students in private universities was much greater, and in some states like Himachal Pradesh (HP), Punjab, TN, and Uttarakhand, their numbers in private universities was higher than that of public universities during at least one of the enumeration cycles. This observation is in line with the general understanding that the lower socio-economic location of SCs and STs as compared to OBCs provides them a relatively restricted access to private resources, including private higher education. What is, however, must be noted here is that irrespective of the proportion, absolute number of students from these disadvantaged social groups is increasing—and sometimes sharply like in Haryana, Karnataka, Madhya Pradesh (MP), Punjab, and Rajasthan—at private universities across the country. The only exceptions are in states like Maharashtra and TN, where the enrolment has fallen for all socially disadvantaged categories in both private and public universities indicating possible changes in the pattern of education-related migration. Despite a general increase in the number of SC, ST, and OBC students at private universities, the proportion of such students at such institutions still remains considerably lower than their population proportion in the respective states. This picture is much better at public universities.

While the rise in the number of students from the socially marginalised groups at private universities partly indicates an increase in education purchasing power of these social groups, it also points toward a possible downfall in the popular image of educational quality at public universities even among the disadvantaged groups. The second part is more clearly visible when one looks at the fall in absolute number of enrolment of social groups other than SCs, STs, and OBCs at public universities in Haryana, MP, Maharashtra, Rajasthan, and TN. The proportion of students who are not from the SC, ST or OBC groups

have fallen at public universities in every state incorporated in Table 1, including the national level. This is partly because of entry of more students from socially marginalised groups at public universities in all states (except in Maharashtra and TN). However, it is also because of a relative stagnancy in the absolute number of students coming from privileged social groups to public institutions as they gravitate towards private universities. This trend is comparable with a similar drift that has been witnessed in many state-run schools in different urban areas of India where many can afford private education. With reference to school education, this tendency has often been held responsible for the fall in the quality of education at state-run schools (Kumar 1996).

One may understand the movement of the privileged groups from public to private institutions as a path through which educational opportunity is indirectly opening up at public institutions for many students from underprivileged family background who would not have otherwise been able to enter higher education. However, it is worth examining in the field whether in this process, private universities are emerging as the “gated communities” for the privileged, and whether public universities are becoming the “ghettoes” for the less fortunate ones. It is also important to explore, in line with Kumar (1996), whether the quality of education at public universities is degrading as a result of such a drift among students. Here, one must consider the significance of higher education-led interstate migration. In a few states, enrolment of student, belonging to reserved categories at private universities has exceeded that at public universities in absolute numbers, for example, HP and Punjab (SC, ST, and OBC), and Uttarakhand (ST and OBC). Whether this demonstrates inclusiveness of private universities or the inability of public universities to accommodate the rising number of educational

Table 2: Community and Gender-wise Distribution of Students across Universities

Community Category of Students	Gender	State Private Universities		Private Deemed Universities		Central Universities		State Public Universities	
		2011–12	2016–17	2011–12	2016–17	2011–12	2016–17	2011–12	2016–17
Scheduled Caste	Male	5,909 (75.89)	30,439 (70.82)	8,762 (59.47)	8,262 (61.54)	12,798 (70.45)	15,034 (53.07)	66,842 (63.53)	75,351 (55.49)
	Female	1,877 (24.11)	12,541 (29.18)	5,630 (40.53)	5,476 (38.46)	5,369 (29.55)	13,297 (46.93)	38,373 (36.47)	60,448 (44.51)
Scheduled Tribe	Male	2,851 (63.74)	10,928 (63.02)	3,611 (59.43)	3,470 (58.66)	7,025 (54.89)	10,823 (50.63)	16,943 (59.6)	26,261 (52.63)
	Female	1,622 (36.26)	6,412 (36.98)	2,465 (40.57)	2,445 (41.34)	5,773 (45.11)	10,554 (49.37)	11,486 (40.4)	23,641 (47.37)
Other Backward Classes	Male	19,092 (77.38)	75,994 (75.94)	60,910 (64.51)	62,145 (64.96)	21,770 (64.61)	31,142 (60.6)	1,09,223 (61.85)	1,53,906 (53.56)
	Female	5,582 (22.62)	24,075 (24.06)	33,508 (35.49)	33,525 (35.04)	11,922 (35.39)	20,248 (39.4)	67,360 (38.15)	1,33,454 (46.44)
Others*	Male	97,256 (66.29)	2,55,447 (67.24)	1,35,254 (61.5)	1,88,966 (63.18)	68,679 (58.09)	70,549 (54.77)	4,31,391 (70.51)	2,63,692 (51.85)
	Female	49,459 (33.71)	1,24,439 (32.76)	84,669 (38.5)	1,10,112 (36.82)	49,550 (41.91)	58,254 (45.23)	1,80,425 (29.49)	2,44,917 (48.15)
Total	Male	1,30,501 (68.59)	3,72,808 (69)	2,12,397 (62.38)	2,63,343 (63.47)	1,14,019 (60.44)	1,27,548 (55.48)	6,48,281 (67.63)	5,19,210 (52.89)
	Female	59,771 (31.41)	1,67,467 (31)	1,28,065 (37.62)	1,51,558 (36.53)	74,633 (39.56)	1,02,353 (44.52)	3,10,258 (32.37)	4,62,460 (47.11)

Percentages refer to the share of male and female students out of the total number of students in the respective category. Figures in parentheses are percentage.

*Includes all students who do not fall in the SC, ST and OBC categories.

Source: AISHE data for 2011–12 and 2016–17.

aspirants from disadvantaged social groups needs to be explored in the field.

Caste and Gender Gap

In a patriarchal social context like India, the gender gap in higher education is a common phenomenon at both public and private institutions. With the rising cost of education, the gender gap is further shaped by the education purchasing power of different social groups. While the reason is not clear from the enrolment data, gender gap in enrolment has remained highest over the years at state private universities across almost all social categories (Table 2, p 49). However, it is particularly high among the SCs and OBCs, possibly indicating that households from these social groups, which have relative limitation of resources when compared with their socially advantaged counterparts, prioritise sending boys and not girls to more expensive educational institutions.

For each social category, the gender gap is least at central universities and state public universities. One of the obvious reasons behind this is the lower cost of education there. This gap has reduced uniformly between 2011–12 and 2016–17. During this period, the gender gap for most communities has either increased or remained somewhat stable at state private universities and private deemed universities. Whereas at these private universities the number of boys enrolled from the “others” category has gone up between 2011–12 and 2016–17, the same has come down substantially at both central and state public universities. This possibly indicates a shift in institutional preference that is taking place in the wider public imagination. In contrast, the same time period has also witnessed an increase in the enrolment of girls from socially advantaged groups and also that of boys and girls from different socially disadvantaged groups at central universities and state public universities.

Table 3: Discipline-wise Distribution of Students

University Categories	Discipline Group-wise Enrolment						Total
	Engineering and Computer Science	Commerce and Management	Medicine and Health Sciences	Basic Sciences and Applied Sciences	Social Sciences and Humanities	Others*	
State private universities 2011–12	1,22,595 (52.23)	53,213 (22.67)	24,627 (10.49)	11,823 (5.04)	15,020 (6.4)	7,445 (3.17)	2,34,723 (100)
State private universities 2016–17	2,99,822 (44.61)	1,34,634 (20.03)	70,124 (10.43)	73,847 (10.99)	54,167 (8.06)	39,496 (5.88)	6,72,090 (100)
Private deemed universities 2011–12	2,25,489 (45.4)	76,956 (15.49)	40,314 (8.12)	46,340 (9.33)	94,154 (18.96)	13,440 (2.71)	4,96,693 (100)
Private deemed universities 2016–17	2,51,776 (51.83)	88,723 (18.27)	46,072 (9.48)	34,836 (7.17)	53,490 (11.01)	10,857 (2.24)	4,85,754 (100)
State public universities 2011–12	4,42,530 (19.66)	4,42,537 (19.66)	48,302 (2.15)	2,69,990 (11.99)	9,72,642 (43.21)	74,944 (3.33)	22,50,945 (100)
State public universities 2016–17	2,15,565 (8.83)	5,50,813 (22.55)	51,550 (2.11)	3,53,585 (14.48)	11,53,157 (47.21)	1,17,807 (4.82)	24,42,477 (100)
Central universities 2011–12	22,754 (4.12)	1,25,996 (22.8)	6,907 (1.25)	43,573 (7.89)	3,35,857 (60.78)	17,480 (3.16)	5,52,567 (100)
Central universities 2015–16	22,563 (3.21)	1,57,239 (22.35)	7,489 (1.06)	56,680 (8.06)	4,37,696 (62.21)	21,922 (3.12)	7,03,589 (100)

Percentage is calculated out of total enrolment at respective university category during the stated year.

Figures in parentheses are percentage.

*Discipline group titled “Others” includes design, fashion technology, fine arts, journalism and mass communication, law, and library and information science.

Source: AISHE data for 2011–12 and 2016–17.

Enrolment patterns at private universities are the outcome of their decisions regarding tuition fees, admission policy, and focus on particular fields of knowledge. However, it is also an outcome of the way neo-liberalism has, over the years, shaped public opinion towards a belief that private institutions are better than non-elite public institutions. It is true that this movement is possibly opening up higher education opportunities for diverse, hitherto excluded, marginalised socio-economic groups. However, such inclusion is happening at the cost of creation of newer layers of exclusion. Of course, given that state private universities are currently undergoing a phase of high growth, it is only with time that the patterns will derive more stability and become clear.

Concentration on Specific Disciplines

The NKC had advocated the need for investment of private capital in the university space where a larger number of students study in India. This was justified on the grounds that it would result in private capital moving beyond its usual domain of engineering, medicine, and management education to other disciplinary groups and thereby contributing towards expansion in enrolment at the national level (NKC 2008). It is, therefore, important to explore the nature of contribution that private universities have made so far towards increasing educational opportunities.

There is a clear indication in Table 3 that private universities, when compared with public universities, enrol a much larger number of students in professionally-oriented disciplinary areas. Enrolment in engineering and computer science, commerce and management, and medicine and health sciences put together at state private universities and private deemed universities remained between 70% and 85% over the two enumeration years. This pattern significantly deviates from the NKC’s (2008) expectation regarding disciplinary

orientation at private universities. In contradiction, during the same time period, the corresponding figure remained between 26% and 42% at public universities. The disciplinary fields that have been largely compromised by private universities include the social sciences and humanities for which one can observe an increasing disciplinary concentration at public universities. The social sciences and humanities have somehow earned a popular image of being subjects suitable for girls (Gautam 2015). Considering the rapid increase (as visible in Table 2) in the percentage of female enrolment at central universities and state public universities between 2011–12 and 2016–17, it is worth exploring

whether that is connected to the disciplinary focus of these institutions.

While there is a pattern in the difference between disciplinary focus of private and public universities, the intra-category differences must be considered as well. For example, whereas enrolment in basic sciences and applied sciences, social sciences and humanities, and others has gone down in private deemed universities, it has increased in state private universities. Likewise, whereas enrolment in engineering and computer sciences has fallen grossly at state public universities, the same decline has not been observed at central universities. Enrolment in basic and applied sciences has of course

programmes at private universities is much higher than that at public universities, even though at present, in terms of number, public universities enrol a larger number of students at research programmes. The percentage of growth in enrolment at research programmes at state private universities is even higher than the same for undergraduate and postgraduate programmes. On the other hand, while the percentage of enrolment for postgraduate programmes has fallen at private universities, it has also remained more or less consistent at public universities.

From the discipline-wise enrolment data, it almost appears as if there is a division of labour with private universities

focusing more on professional fields and public universities concentrating significantly on non-professional fields. The viability of such a division, if any, is highly questionable. While one criticises private universities for being primarily concerned with the perceived demand for professional education, it is equally important to ask public universities as to whether the opposite is advisable. Pragmatically speaking, there is a need for a balanced approach. Accordingly, questions that may be interesting to understand in the field would include what is motivating the private universities to invest (even if marginally) in fields like social sciences and humanities that are not financially rewarding when compared to engineering and computer sciences, commerce and management, and medicine and health sciences.

Table 4: Level-wise Distribution of All Students across Universities

Level of Education	State Private Universities		Private Deemed Universities		Central Universities		State Public Universities	
	2011-12	2016-17	2011-12	2016-17	2011-12	2016-17	2011-12	2016-17
PhD and MPhil.	2,706 (1.15)	10,152 (1.51)	10,073 (2.03)	16,252 (3.35)	18,944 (3.43)	18,901 (2.69)	42,847 (1.90)	53,141 (2.18)
Postgraduation	59,532 (25.36)	1,28,870 (19.17)	1,22,324 (24.63)	69,526 (14.31)	87,379 (15.81)	1,03,601 (14.72)	9,04,503 (40.18)	9,57,447 (39.2)
Undergraduation	1,50,828 (64.26)	4,31,587 (64.22)	3,36,559 (67.76)	3,73,984 (76.99)	4,25,530 (77.01)	5,55,625 (78.97)	10,74,347 (47.73)	13,14,013 (53.8)
PG diploma	3,218 (1.37)	16,954 (2.52)	4,022 (0.81)	6,441 (1.33)	3,864 (0.70)	3,258 (0.46)	92,262 (4.10)	26,194 (1.07)
Diploma	12,590 (5.36)	63,434 (9.44)	6,139 (1.24)	5,442 (1.12)	7,540 (1.36)	8,011 (1.14)	94,055 (4.18)	33,213 (1.36)
Certificate	387 (0.16)	462 (0.07)	8,760 (1.76)	185 (0.04)	3,523 (0.64)	3,630 (0.52)	22,323 (0.99)	26,626 (1.09)
Integrated	5,462 (2.33)	20,631 (3.07)	8,816 (1.77)	13,924 (2.87)	5,787 (1.05)	10,563 (1.5)	20,608 (0.92)	31,843 (1.3)
Total	2,34,723 (100)	6,72,090 (100)	4,96,693 (100)	4,85,754 (100)	5,52,567 (100)	7,03,589 (100)	22,50,945 (100)	24,42,477 (100)

Percentage is calculated out of total enrolment at respective university category during the stated year.

Figures in parentheses are percentage.

Source: AISHE data for 2011-12 and 2016-17.

remained low at both private and public universities. It is important to recognise that any kind of disciplinary concentration at universities, be that towards professional fields or towards social science and humanities, can disrupt the idea of university as a space for all forms of knowledge.

The highest enrolment across all kinds of universities is seen at the undergraduate level (Table 4). This is in contradiction to the argument that private universities, in particular, are likely to have high enrolment at the undergraduate level and short-term courses (Agarwal 2009). While the undergraduate share of total enrolment at private universities (particularly at private deemed universities) is high, the same is even higher at central universities and not too low at state public universities. While state private universities have a relatively high and increasing enrolment share for diploma programmes, the same is not true for private deemed universities where relevant figures are quite comparable with that of public universities. When it comes to certificate programmes, the enrolment figures for private and public universities are comparable.

It has been argued that private investment in higher education will lead to shrinkage of enrolment in research programmes (Agarwal 2009). While enrolment figures are no indication of the quality of a programme, it must be noted that the percentage of growth in enrolment for research

programmes at private universities is much higher than that at public universities, even though at present, in terms of number, public universities enrol a larger number of students at research programmes. The percentage of growth in enrolment at research programmes at state private universities is even higher than the same for undergraduate and postgraduate programmes. On the other hand, while the percentage of enrolment for postgraduate programmes has fallen at private universities, it has also remained more or less consistent at public universities.

Conclusions

One of the important public considerations with reference to private universities centres around the question of social justice: Do private universities cater only to those who can bear the cost? Based on an empirical study conducted at two private universities in India, Angom (2015) found that students took admission to these universities for diverse reasons, including their inability to secure admission at the desired public institution, probability of better campus recruitment at private universities, availability of job-oriented courses, better infrastructure facilities, and availability of preferred degree. While the students were able to bear the cost of admission to these universities, it is important to note that a majority of those interviewed did not hail from high socio-economic backgrounds, but were from diverse socio-economic groups. This in a way endorses the rapid increase noted in this paper in the number of students from all categories, including historically marginalised groups, at private universities. While the percentage of students from socially marginalised groups has mostly remained higher at public universities, the absolute number of these students at private universities is

increasing over the years. One must also note here the simultaneity of a widespread fall in both percentage and number of students from privileged groups at public universities, a rise in their number at private universities, and an increase in the number of students from socially disadvantaged groups at public universities.

Whereas, over the years the gender gap in university enrolment has mostly reduced for all social categories at public universities, it has either remained stable or has increased at private universities. In this context it is significant to note that the fall in enrolment of students from socially advantaged groups witnessed at public universities in recent times is largely a decline in enrolment of boys from these groups. In comparison, the enrolment of girls has increased uniformly at state public universities and central universities. At state public universities, this rise has been substantial. For all the socially disadvantaged groups, the enrolment proportion of

girl students has increased to some extent. These developments have further gendered the university space. Finally, it is interesting to witness a seemingly discipline group-based division between public and private universities. Whereas a large segment of enrolment at public universities remain in the knowledge areas of the social sciences and humanities, private universities are found to focus on fields like engineering and computer sciences, commerce and management, and medicine and health sciences.

In 2008, the NKC had emphasised the shift in the nature of private investment in higher education from colleges/stand-alone institutions to the university space. While it is difficult to argue that this shift did not take place, it has not emerged as the dominant pattern. However, with the rise of private universities, the university space is undergoing substantial change that needs to be interpreted in order to understand the trajectory of higher education in India.

REFERENCES

- Abrol, Dinesh (2006): "Democratising Indian Higher Education," *Social Change*, Vol 36, No 3, pp 121–60.
- Agarwal, Pawan (2009): *Indian Higher Education: Envisioning the Future*, New Delhi: Sage Publications.
- Altbach, Philip G (1998): "Private Higher Education: Themes and Variations in Comparative Perspective," *Prospects*, Vol 29, No 3, pp 311–23.
- Altbach, Philip G, Liz Reisberg and Laura E Rumbley (2009): "Trends in Global Higher Education: Tracking an Academic Revolution," World Conference on Higher Education, United Nations Educational, Scientific, and Cultural Organization, Paris: UNESCO.
- Anandkrishnan, M (2007): "Critique of Knowledge Commission," *Economic & Political Weekly*, Vol 42, No 7, pp 557–60.
- Angom, Sangeeta (2015): "Private Higher Education in India: A Study of Two Private Universities," *Higher Education for the Future*, Vol 2, No 1, pp 92–111.
- Bhoi, Dhaneswar (2013): "Educational Privatisation and Access to Higher Education: Experiences of Scheduled Caste Students in Odisha," *Social Change*, Vol 43, No 3, pp 341–63.
- Bhoite, Uttam B (2009): "Higher Education in India: A System on the Verge of Chaos," *Sociological Bulletin*, Vol 58, No 2, pp 147–77.
- CED (2005): "Private University Act of Chhattisgarh: Supreme Court Judgment," *Contemporary Education Dialogue*, Vol 2, No 2, pp 261–64.
- Chattopadhyay, Saumen (2009): "The Market in Higher Education: Concern for Equity and Quality," *Economic & Political Weekly*, Vol 44, No 29, pp 53–61.
- Deshpande, J V (1991): "Boom in Teaching Shops," *Economic & Political Weekly*, Vol 26, No 30, p 1787.
- Duczmal, Wojciech (2005): "Access and Private Higher Education in Poland," *Private Higher Education: A Global Revolution*, Philip G Altbach and Daniel C Levy (eds), Rotterdam: Sense Publishers.
- Duraisamy, P and Malathy Duraisamy (2016): "Contemporary Issues in Indian Higher Education: Privatisation, Public and Household Expenditures and Student Loan," *Higher Education for the Future*, Vol 3, No 2, pp 144–63.
- Farag, Iman (2005): "Higher Education in Egypt: The Realpolitik of Privatisation," *Private Higher Education: A Global Revolution*, Philip G Altbach and Daniel C Levy (eds), Rotterdam: Sense Publishers.
- Gautam, Meenakshi (2015): "Gender, Subject Choice and Higher Education in India: Exploring 'Choices' and 'Constraints' of Women Students," *Contemporary Education Dialogue*, Vol 12, No 1, pp 31–58.
- Gol (2013): "Statistical Profile of Scheduled Tribes in India," Ministry of Tribal Affairs, Statistics Division, Government of India, New Delhi, viewed on 6 June 2018, <https://tribal.nic.in/ST/StatisticalProfileofSTs2013.pdf>.
- (2014): "All India Survey on Higher Education 2011–12," Department of Higher Education, Ministry of Human Resource Development, Government of India, https://mhrd.gov.in/sites/upload_files/mhrd/files/statistics-new/AISHE2011-12.pdf.
- (2016): "Handbook on Social Welfare Statistics," Ministry of Social Justice and Empowerment, Department of Social Justice and Empowerment, Statistics Division, Government of India, New Delhi, <http://socialjustice.nic.in/writereaddata/UploadFile/HANDBOOK%20Social%20Welfare%20Statistic%202016.pdf>.
- (2017): "All India Survey on Higher Education 2016–17," Department of Higher Education, Ministry of Human Resource Development, Government of India, https://mhrd.gov.in/sites/upload_files/mhrd/files/statistics-new/AISHE2016-17.pdf.
- Hopper, Richard (2005): "Emerging Private Universities in Bangladesh: Public Enemy or Ally?" *Private Higher Education: A Global Revolution*, Philip G Altbach and Daniel C Levy (eds), Rotterdam: Sense Publishers.
- Kumar, Krishna (1996): *Learning from Conflict*, Hyderabad: Orient Longman.
- Kumar, Satendra (2014): "Privatisation of Higher Education in India: Hopes and Despairs," *Social Change*, Vol 44, No 3, pp 451–58.
- Levy, Daniel C (2008): "Access via Private Higher Education Provision," *Private Higher Education: Global Trends and Indian Perspectives*, Asha Gupta, Daniel C Levy, and K B Powar (eds), Delhi: Shipra Publications.
- Lin, Jing (2005): "Private Higher Education in China: A Contested Terrain," *Private Higher Education: A Global Revolution*, Philip G Altbach and Daniel C Levy (eds), Rotterdam: Sense Publishers.
- Naik, B M (2001): "Positives Aspects of Privatisation," *Hindu*, 3 July, viewed on 13 June 2017, <http://www.thehindu.com/2001/07/03/stories/13030378.htm>.
- Narayana, M R (2006): "Privatisation Policies and Postprivatisation Control Devices in India's Higher Education: Evidence From a Regional Study and Implications for Developing Countries," *Journal of Studies in International Education*, Vol 10, No 1, pp 46–70.
- NKC (2008): *Towards a Knowledge Society: Three Years of the National Knowledge Commission*, New Delhi: National Knowledge Commission, Government of India.
- Nayak, Dhanwanti (2013): "The Pitfalls of Privatisation of Higher Education," *Economic & Political Weekly*, Vol 48, No 5, pp 15–17.
- (2014): "Understanding the Logic of Neoliberalism in Education," *Economic & Political Weekly*, Vol 49, No 13, pp 10–13.
- Nicolescu, Luminia (2005): "Private versus Public in Romania: Consequences for the Market," *Private Higher Education: A Global Revolution*, Philip G Altbach and Daniel C Levy (eds), Rotterdam: Sense Publishers.
- NDTV (2010): "Centre to Derecognise 44 Deemed Universities," 19 January, viewed on 14 June 2019, <https://www.ndtv.com/india-news/centre-to-derecognise-44-deemed-universities-409286>.
- Tilak, Jandhyala B G (2014): "Private Higher Education in India," *Economic & Political Weekly*, Vol 40, No 40, pp 32–38.
- UGC (2003): "UGC (Establishment of and Maintenance of Standards in Private Universities) Regulations, 2003," University Grants Commission, Government of India, New Delhi, viewed on 4 March 2018, https://www.ugc.ac.in/oldpdf/regulations/establishment_maintenance.pdf.
- (2018): "Consolidated List of All Universities as on 12.04.2018," University Grants Commission, Government of India, New Delhi, <https://web.archive.org/web/20180430122614/https://www.ugc.ac.in/oldpdf/Consolidated%20list%20of%20All%20Universities.pdf>.

Economic & Political WEEKLY

available at

People's Book House

Mehar House, 15 Cawasji Patel Road

Fort, Mumbai 400 001

Ph: 022-22873768

Doctoral Journeys

From Field Diaries to Institutional(ised) Authorship

ANUPAMA MAHAJAN, KRUPA RAJANGAM, SAVITHA SURESH BABU

The ways in which three doctoral scholars engaged in ethnographic research in differing social worlds are explored here. Accounting for the ethical–political dilemmas engendered by “fieldwork” and the ways in which we grappled with them, this paper reflects upon methodology and questions of power pertaining to disciplinary boundaries, social identities, and researcher–practitioner binaries that have marked key debates within scholarship on the Indian social. This reflection draws from our vantage point as doctoral students, particularly addressing our preparedness for the messiness of field participation and converting field notes into authorial accounts. The arguments in the paper feed into larger conversations around representation in the social sciences. By foregrounding our ethical–moral positions and the institutional spaces (or the lack thereof) to act upon such imperatives, the paper raises important questions about the dilemmas of authoring social worlds.

This paper is an exploration of ethical and political tensions engendered by institutional(ised) hierarchies in knowledge production. We specifically investigate our own experience of field-based research undertaken as doctoral scholars at an interdisciplinary research institute. We articulate these tensions in conversation with a long history of scholarship from India that has sought to discuss the hierarchies in academic engagements on the social, ranging from the forceful argument of “theoretical Brahmins and empirical Shudras” (Guru 2002) to a more recent piece by doctoral scholars critiquing the normative understanding of “students” as consumers rather than producers of knowledge (Reddy et al 2019); a discussion on questions of social power and hierarchy in academic practices, including doctoral supervision, forms of mentoring, and publication channels; the ethics of theorising the “lived experiences” of others, particularly socially underprivileged others (Sarukkai 2007), and politics, as the power dynamics underlying such theorisations (Satyanarayana 2013).

In this paper, we call to attention what it means to be in the “field,” recognising a long history of debates in ethnographic research on ethnography as both field method and interpretive writing (Geertz 1973; Ghodsee 2016; Gupta and Ferguson 1997; Narayan 1993; Srinivas 2002; van Maanen 2011). Such attention is necessary, we believe, at a time when “fieldwork” as a form of academic labour, involving observations and interviews with specific social groups (more often, “studying down”) marks the majority of knowledge production within the social sciences. Such fieldwork in the Indian social sciences is performed most often by research associates and doctoral students.

In this context, we believe it is important to explore the ways in which doctoral researchers are not only fieldworkers but also, crucially, authors or writers of the field. As academic scholars committed to producing a thesis and other publications, we “author” social worlds. How do we do this in ways that do not objectify or render our research respondents’ articulations as mere “data” for analytical claims by “theorists” outside the field? In writing ourselves into the field encounter, we found partial answers to the challenges of the ethics of writing. However, forms of self-reflexiveness, including writing oneself into the text, created new ethical–political challenges. Several of the challenges that we explore have been reflected upon critically by ethnographic researchers. However, few accounts by doctoral scholars (within India) exist about the ways in

This paper is an outcome of conversations that commenced during Sundar Sarukkai’s course titled “Reading the Field” at the National Institute of Advanced Studies, Bengaluru. We are grateful to him for his support in bringing this paper to its current form, as also the anonymous reviewer for their insightful comments and feedback.

Anupama Mahajan (anabi21@gmail.com), Krupa Rajangam (rajangam@gmail.com), and Savitha Suresh Babu (savithasureshbabu@gmail.com) are research scholars at the National Institute of Advanced Studies, Bengaluru and Manipal Academy of Higher Education, Manipal.

which these challenges are grappled with in the course of doctoral studies.²

'Confessional Tales'

By bringing together three different journeys of fieldwork, fieldworkers and writing, this paper engages in a conversation on research methodology to foreground these challenges. The proposed conversation is being contextualised within the larger experiences of Indian doctoral scholars, to explore our preparedness for the messiness of the field and its articulations. Given the large enrolment of PhD students in humanities and social sciences in India (many of whom perform some variety of "field research") as also public lamentations of "declining research quality" (Sharma and Agarwal 2019), we believe it is important to foreground challenges faced by doctoral scholars "working in" and "writing about" the field. We hope to do this by acknowledging both the affective angst of established scholars lamenting the poor quality of "student" work at one end and lack of institutional(ised) support for doctoral scholars at the other.

In some ways, our paper is a "confessional tale" (van Maanen 2011) by which we mean accounts of fieldworkers (rather than the field itself) that accounts for the complexity of ethnographic work. Our account also responds to van Maanen's (2011: 81) sharp argument that most confessions, like most theses, are never published unless the author is "known" and that "authors of unknown studies, while they surely have much to confess, will rarely find an audience who cares to read their confessions."

We write our confessional tales attentive to particular questions that foreground knowledge production, academic hierarchies and ethnographic research as institutional(ised) practices, in a manner that hopes to be more than confessional: (i) What were certain dominant ethical and political tensions in our respective field-based experiences? (ii) How could one attempt to reconcile them? and (iii) What is the role of institutional(ised) mandates in foregrounding and resolving these tensions? We explain these tensions below as arising from our specific locations of socially privileged, urban women researchers and recognise that they are not universal.

Our doctoral projects evolved from professional trajectories and experiences, that led us to individual research problems, which were diverse with no necessary overlap in terms of central foci or disciplinary orientation. Based on deep immersion at the Hampi World Heritage Site, one of us critiqued heritage practices through the interdisciplinary frame of critical conservation studies. Another examined the practices and production of "giftedness" by following children through diverse elite spaces using tools at the interface of the sociology of education and psychology, while the third engaged with life experiences of young women in government welfare hostels in Kalaburagi and Bengaluru, Karnataka, within the ambit of sociology of education. The methodological tools of inquiry, however, overlapped—qualitative and ethnographic—as we were each attempting to "experience" certain lifeworlds and field dynamics. While we did not come to these tools through similar trajectories,

our previous experiences led us to methods that would help us understand "lived experiences" of voices we believed were subdued in scholarly writing, whether resident communities of heritage sites, gifted children, or marginalised young women students.

What overlapped also were questions of social power and privilege in interpretation, as we sought to question, for instance, the established hierarchies of heritage expertise, social construction of giftedness in children, and ideals of academic reflexivity. We realised that, at a certain level, power and privilege in engaging with the "researched" were inescapable, which led us to debates around the ethics of theorising. We reiterate that the question of ethics arose not just in the process of representing our field through writing, but also through how we entered the field to what we observed and experienced.

Our forays were intended to find and foreground the "voices" of our central protagonists. We recognised that any extraction of the other's voice only occurs through the authorial account and thus already creates an uneven power terrain. Through the course of fieldwork, we also realised that the voices we wished to foreground were enmeshed within sociopolitical structures and were not necessarily extractable. Experiences of resident communities could not be taken apart from the heritage regimes they inhabited, voices of the gifted were enmeshed with expectations of adult-driven social worlds, and the ways in which women students experienced life in social welfare hostels were connected to higher educational practices and social welfare bureaucracy. Acquiring a doctoral degree, we acknowledge, is part of building academic capital. While we set out to foreground voices we believed to be marginalised, through reflection and writing, however, we recognised that the main audience of our writing was not those who lent us their voice. Rather, it was our peer community within academia. This recognition also created several ethical–moral dilemmas, which we address at the end of the paper.

How were we, as field researchers, to account for enmeshed social worlds while retaining our political impulses that had sought to centre certain voices? There were no ready answers, but constant deliberations with each other and peers (as part of a semi-formal collective of doctoral scholars conversing about the challenges of field-based research) helped us realise that ethical–political tensions, even as they were contextual, could be a common ground to help our projects speak to each other—in the course of fieldwork, analyses, and thesis writing—well beyond the limitations imposed by disciplinary mandates.

With this background, through auto-ethnographic accounts of field research, we lay out some dilemmas we faced and our attempts to resolve them. We explain the accounts as three separate narratives, not only to retain the voice of each author but also methodologically account for one's presence while writing the field. While drawing attention to the fact that neither the tensions nor attempted reconciliations were necessarily similar, this style of authoring the paper was a way to bring up issues around authorship of fieldwork data; potentially

a way to facilitate conversations around authorship and method across disciplines.

Fields of Heritage by Rajangam

I largely draw upon my own experiences as a heritage practitioner–scholar, researching the field (field as both constructed and dynamic) of heritage, to discuss emergent tensions between institutional(ised) research ethics and ethics in practice when undertaking field-based research. I commenced doctoral research with the aim to understand if “dissonance” (Tunbridge and Ashworth 1996) understood as contestations and conflicts is inevitable when “official” (Harrison 2010) heritage trajectories intersect with peoples’ everyday lives. As a practitioner, I was involved in “community-based work” related to heritage management–conservation, which made me dimly aware of certain tensions between official heritage practice and “resident communities,” that is, people who live in and around heritage sites, but had no reason to consider its day-to-day realities. In the course of my doctoral study, based on deep immersion, facing up to the everyday “structural violence” (Gupta 2012) consequent to conservation “for public good” proved wholly destabilising.

These encounters, however, affirmed my resolve “to act,” which is when institutional mandates proved to be both a stumbling block and an enabler. While scholarly engagements opened up critical questions, an exclusive focus on the acquisition of a doctoral degree as part of material academic practices, in my case, appeared “institutionalised.” That is, institutional mandates, based on a normative understanding of a doctoral thesis as nothing more than an exam and the first step to an academic career, hindered attempts to act in keeping with overlapping professional–personal ethics–politics. Such ethics not only demanded making one’s position explicit but also action towards social change informed by critical scholarship. I set down a few instances below and then discuss whether an interdisciplinary lens was useful in attempting reconciliations.

Ethical–political tensions in field research: An early destabilising encounter with the field occurred during a project to study regional craft traditions, when a craftsperson asked me: “Why should I talk to you? What’s in it for me?” (personal interview 2011). A seemingly simple question posed to me brought home the salience of researcher privilege and hierarchies of knowledge production. During my (pre-PhD) stint as a consultant, whilst undertaking an impact assessment of new constructions next to a protected monument, a resident asked me: “Madam, tell me is it fair? You and ASI [Archaeological Survey of India] can build as you like but I can’t even add a toilet because I happen to live next to a location that was declared a monument?” (personal interview 2012). This struck me as a fair observation from his standpoint.

Can, and if so to what extent, institutional(ised) forms of research prepare (action-oriented) scholars for such encounters? I ask this question because the principal reason I undertook doctoral study was to understand and address dilemmas

engendered by such encounters. Though the result of the process was productive, it was not always positive. Institutional forms of research, particularly feminist scholarship, gave me a whole new set of tools to articulate problems and gain critical insights into field-based research. These mandates, however, proved limiting as I was variously advised: “keep activism for later, get the degree first” or “disengage self from the field and attempt to write more objectively/academically” to a rather sarcastic “only ‘new’ researchers worry about ethics” (field notes 2016). The first two were intended to be sympathetic while not entirely understanding my reasons to formally engage with scholarship. They were intended to caution me about certain academic practices if I wanted a doctoral degree. The last was more worrisome from an ethical–political stance; do old(er) researchers not worry about ethics then? Do they inevitably become institutional(ised)? As I continued to grapple with such tensions, I was simultaneously attempting to root my work in interdisciplinarity as a way to reconcile frictions. Did the approach help? Both yes and no as I elaborate below.

Reconciling tensions: I begin with a brief background of the disciplinary approaches I commenced with and/or gradually adopted. Broadly, critical heritage and conservation studies suggest that the scope of heritage is ever widening, resulting in increased entanglement with social, cultural and political factors, perforce, making its domain interdisciplinary (Meskell 2011; Smith 2004; Winter 2013a,b). Given the practice’s epistemological limitations to “people engagement” (UNESCO 2012), I found sociocultural anthropology and human geography extremely productive for both methodological choices and critical insights into heritage as a contested domain. These included identity, developmental or cultural politics, role of expertise in knowledge/power nexus, and questions of political economy.

Where earlier I might have wondered about the seeming indifference of local people to official heritage, now I was able to recognise it as a consequence of their ongoing alienation from such locales. In this instance, an interdisciplinary approach helped reconcile some divides. It, however, brought up fresh concerns, particularly through the lens of institutional mandates. At a pragmatic level, these included questions of how to root my thesis in a particular body of literature or discipline when the field, through a researcher’s construct, is enmeshed. When disciplinary boundaries work more like borders to gatekeep whose knowledge and what forms of knowledge are legitimised, how is one to reconcile tensions which speak to each other beyond such borders? Merely acknowledging one’s debt to anthropology for methodological insights or human geography for certain conceptual frameworks seemed counterproductive to a critical understanding of heritage as a reflection of societal structures that can only be comprehended interdisciplinarily.

Lynn Meskell’s (2005: 85) argument for archaeological ethnography helped address some dilemmas in writing. She suggests that when archaeologists undertake ethnographic

research, the preliminary training (that is, knowledge of archaeology) is already taken care of. Hence, such work could productively be positioned as an ethnography of “us,” that is, of what archaeologists do as practitioners at particular field locations. Thus, while I located my doctoral work in Hampi, Karnataka, the thesis building on a body of literature could become a critique of heritage practice. However, in my case, much as in Meskell’s at Kruger National Park, the immediacy of wanting to intervene when one hears compelling accounts of forced evictions in the name of site management–conservation are hard to set aside, given the “insider” knowledge of the field in general and that location in particular. In addition, an archaeologist’s casual encounters with field as local people is very different from a practitioner–scholar’s deliberate seeking of people engagement as part of ongoing attempts to democratise heritage-making mechanisms.

While conducting interviews, I reached out to a rights-based non-governmental organisation (NGO) working with displaced residents of the Hampi site. When I indicated my willingness to engage with them beyond any academic limitations, the lady replied tersely: “You saying so is all fine but are you willing to take a stance?” I was surprised; surely my offer indicated that I was so willing. She explained: “I have worked with many researchers. I agree they need to understand all sides and are not writing sensational journalistic pieces. But in the end, they back off from making their position clear in the name of academic objectivity” (personal interview). She was unhappy over knowledge being extracted from the field, including their work as a rights-based NGO, while nothing was given back. Having previously faced academic distance (not confusing it with objectivity or non-reflexivity) on many occasions, I understood her frustration. But now, as part of academic structures myself, I had become aware that institutional(ised) scholarship is meant for colleagues within academia and not the “researched”—a divide I was anyway grappling with—again making me question if, and so how much, institutional(ised) approaches can help one to act beyond academic scholarship. What, then, is the role of institutional structures? Is it merely to legitimise one’s scholarship and knowledge? How does one move forward in both heritage scholarship and practice in relatively democratic ways? While I navigated dilemmas arising out of “calls to act” by negotiating various frameworks, including academic and civil society’s, the significant question is: How can one enable or even think about ways to bridge social change and knowledge production? In my case, they largely operated in distinct social worlds.

Landscape of ‘Giftedness’ by Mahajan

Envisioned as child-centric, my research sought to provide a layered account of “gifted” children’s lived experiences, as they were often seen simply as isolated sites of growth and development within the discipline of developmental psychology (Burman 2001). The term giftedness is mostly used to describe children who show extraordinary abilities, skills, and talent in academic and, sometimes, non-academic arenas. There are

close to a hundred contrasting definitions of giftedness (Hany 1993 cited in Laine 2010), despite which psychological perspectives dominate. Initially interested in understanding socio-emotional experiences of gifted children, I commenced fieldwork by following a few gifted children identified by the Indian Research Institute through their Gifted Children Program. As fieldwork progressed, new social actors and roles began to emerge, making the field diffused. What began as an exploration focused on gifted children, situated within their specific sociocultural contexts, soon became a quest to probe ways in which my field understood gifts socially, thus shifting my attention to the practice of giftedness-making. This shift from a psychological to a sociological lens was not a linear process really and developed through much back and forth.

Reading a diffused field: I draw attention to specific ethical–political dilemmas by summarising interactions with two gifted children and their lifeworlds.

Eleven-year-old Rahul belonged to a Telugu Brahmin middle-class³ family and lived with his parents, sister and grandmother. On deciding to homeschool his children, the father, Sridhar, terminated his employment with a prestigious American software company. I spent long hours observing Rahul in his home environment. While Sridhar was deeply invested in enhancing Rahul’s intellectual capabilities, he and his wife were hesitant to acknowledge that Rahul was gifted. Sridhar was focused on organising his son’s life as a series of productive engagements and kept expecting me to validate his ideas. He saw me as a psychologist who could help diagnose and address parental concerns. I tried to remain neutral, treading a careful path of taking neither his side nor Rahul’s. At times, I intervened so Rahul could voice his opinions. I am unsure if this was because of my psychological training or my moral/ethical compulsion to act or both. Sridhar had the best of intentions for Rahul. He believed it to be his ethical duty to perform forms of parental work, like concertedly cultivate Rahul’s potential that would help him forge a close bond with his son (Lareau 2003). As I tried to grasp the middle-class family structure, including class, caste, and parenting practices sociologically, my psychological training would occasionally influence *how* I read the familial dynamic that was deeply invested in their child’s “potential”—sometimes, at the cost of his overall well-being. Even as I write this, the seeming compartmentalisation of field experiences makes me uncomfortable as there is no room for fuzziness, and periods of incomprehension that I encountered consequent to reading a diffused field through dual lenses.

While these lenses enabled the reading, they did not entirely account for my individual or social position, which were composed not only of my social locations (caste, class, educational background, and geographical location), but also individual beliefs and ideologies. The challenges of field research included accounting for the “I” in the picture. As a middle-class parent, I often had to shift between being a parent to my five-year-old son, understanding his challenges, negotiating middle-class

norms, and being a researcher who looked at the field as a canvas of social-class dynamics interfacing with educational structures. How does one inhabit an elite social world, as a person and parent, and author a critique of parental practices of the same group? In the quest to offer a social critique, I sometimes wondered if I was being hypocritical just “capturing data” at the cost of those who had permitted me into their worlds.

Using interpretive frameworks that acknowledge any knowledge production as influenced by the researcher, and justifiably so, were there other modes of thinking through the ways I, as a person rooted in my own experiences, made meaning of my field? As a teacher, I had come across children with different ability levels categorised as “learning disabled,” “slow learners,” “academically bright,” and gifted in accordance with psychological framings. While I tried hard to create comfortable learning objectives for all of them, I constantly found myself falling short of options to accommodate those who were either lagging behind or felt unchallenged. Such challenges led to an interest in gifted children. The desire to understand their world led to this doctoral research project and subsequent field experiences compelled me to embrace new lenses in understanding giftedness and ability.

Navodaya Centre for Learning, an elite but inclusive school, which began as an experiment in homeschooling, was one of my field sites. My training in psychology helped me examine peer relationships in the classroom and dynamics between children. Teacher–student interaction in class and larger conflicts concerning school philosophy also became apparent. Many teachers felt Krutika, a 10-year-old from a forward-caste middle-class family, did not exhibit psychologically described characteristics of giftedness: evidence of rapid learning, problem-solving ability, phenomenal memory, to name a few (National Association for Gifted Children nd). Teachers suggested that there were other gifted children in the school, but they had not been recognised as such. Such crucial field experiences moved my research beyond looking at individual experiences to examining the larger social phenomena of giftedness.

However, the sociology of education holds an ambivalent relationship with intelligence quotient and ability, reading them as embroiled within social class, leading to educational inequalities (Nash 2001). I recognise that individual capabilities could be products of social privilege and power, but the pressing question of how one accounts for them at the level of the individual remains unresolved, even as I, the researcher, attempted to make sense of the field through dual lenses. Each time I shifted *how* I read, I needed to change vocabulary. Though this process seems rather straightforward on paper, it had deep emotional and ethical repercussions. Limitations in conveying the conceptual shift to those I wrote about made me introspect on the challenges of making one’s analytical tools transparent to respondents. Was I delegitimising Rahul and Krutika’s gifts by foregrounding parental cultivation or teacher perceptions? The questions were further complicated by my background in teaching and my position as a researcher belonging to the same social class I was researching.

Partial reconciliations: I have sought to unpack what it means to do multidisciplinary research. I now argue that, alongside the lenses one deploys to make meaning, the researcher and their acquired capacity to read and write the field need accounting for. As this capacity requires the exercise of authorial power on the part of the producer of knowledge, it comes with the responsibility of representing the voices of all social actors who negotiate the phenomena of giftedness on a daily basis. This, then, is my attempt to acknowledge the unequal relations between researcher and field participants in constructing the field. Being an author remains a space of discomfort as respondents’ voices come to be *represented* in ways that speak to the writer’s analytical choices. Within these choices, marked by authorial power, how does one account for faithful representation of respondent voices? This question gains significance in the face of changing analytical lenses that could not always be communicated on the field. Alongside, I struggled to foreground the voices of children in the instances described above, and neither psychological nor sociological lenses allowed for the centring of their voices.

Welfare Hostels as Educational Sites by Babu

My research involved understanding educational experiences of women students living in social welfare hostels of the Government of Karnataka meant for students from the Scheduled Castes and Scheduled Tribes, whose annual family income is less than ₹2.5 lakh per annum. I spent time in a hostel each in Bengaluru Urban and Kalaburagi districts, focusing on the inhabitants’ experiences of entering, living in, and navigating education through the hostel space. As with all ethnographic research, my social identities were always marked, including as a married woman, doctoral student, urban Kannadiga, and Brahmin. My caste identity was particularly significant as state-based caste categories determined hostel admissions.

In some ways, then, I was a rank outsider, working with a group of young women whose social worlds were radically different from my urban middle-class and caste background. Alongside, however, we were all women students albeit in very different institutions. Respondents asking questions about the progress of my doctoral project, including “theory” and writing, meant we inhabited a common, even if hugely uneven, academic structure that enabled my interlocutors to ask questions that might not obtain in other fieldwork situations. By highlighting our limited similarities/engagements, I do not mean to overlook differences; rather it is to indicate that clear binaries are difficult to sustain. Apart from the political question of who holds social power to write about another, differences in social locations have implications for how confidences are built, crucial for understanding how social inclusion policies unfold within the lifeworlds of those for whom they are meant. It was only after I was questioned by potential respondents and my support for reservation policies confirmed that students opened up about hostilities expressed by upper-caste peers and teachers towards “reserved category” students in educational spaces. With

these preliminaries, I offer specific field episodes that posed ethical–political dilemmas.

Field episodes: Regulatory practices were part of hostel routines—students were expected to put biometric impressions on a computer placed in the warden’s office and be back by 6 pm. Such mechanisms were tied to material provisioning. Although not strictly implemented, sometimes, in order to pressurise students into marking biometric attendance, the warden insisted that only those who had marked attendance would be provided weekly supplies of eggs and bananas. On one such day, she asked for my assistance in making a list of students who had marked attendance and I felt obliged to help. Although the actual provisioning was haphazard, leading to most students (irrespective of biometric markings) getting their rations that day, this experience made me acutely aware of being part of the power structure. Such silences and complexities created dilemmas, since, as a feminist researcher, I sought egalitarian relationships with young women in the hostel and, yet, recognised that the silences were necessary for continued access to the field and its workings.

One evening, a few male student activists came to the hostel to invite students for a “personality development programme” being held the following day. They asked students questions to make them aware of how caste-based inequalities persisted in urban spaces, although it may mask itself as class. One of the many questions posed was, “how many of your grandfathers are university educated?” This led to loud laughter, gesturing to a shared understanding that such an occurrence was impossible; a point of absurdity. In an attempt to pick one student to respond, the speaker pointed to me. I quietly said my grandfather was indeed university educated but felt the need to clarify that I was not a student but a researcher, in an attempt to substantiate the inequalities alluded to by the speaker. While the lack of education in previous generations was just one of the many questions through which activists sought to pay attention to unequal distribution of resources among different caste groups, it was an instance that brought home how structural realities of our social histories were reflected in the contemporary.

During the programme the following day, I found myself in a strange situation. While the speaker’s anti-Brahminical articulations were familiar as part of my anti-caste political commitments, it made some girls uncomfortable. During each break, they would enquire if I was doing okay and emphasise the difference between Brahmins and Brahminism, a slip that sometimes occurred in the speaker’s articulations. While these reassurances were comforting gestures of friendship, it was a moment of political unease—in an activity planned by student activists as “politicisation” for girl students, did my presence compel them to balance in some ways structural realities that they were presented (such as disproportionate landownership and employment in the corporate sector by Savarnas) and individual friendships (which I had been able to forge with some of them)? This is not to suggest that one cannot understand social worlds different from one’s

own, but to think about how one’s presence alters the social world one researches.

In early articulations of these field instances, I believed I had been reflexive in line with critical social research methodologies. In retrospect, I am no longer certain.

Reconsidering reflexivity: Let us reconsider the episodes to raise new questions: When I wrote of ways in which my silences were complicit in constituting the field, was I shifting focus away from the ways in which everyday lives of the research protagonists were monitored and surveilled? In discussing my discomfort at the programme, was I distracting the reader from a moment of transformation, at least for some students? Does this divert attention from the central narrative to the dilemmas of the field researcher/author?

Even as I ask these questions, I recognise that a story can only be told from *a* standpoint, but how much space must the field researcher and eventual author take? This connects closely to the power of the authorial voice. Accepting that authorial power was inescapable, how did I account for it in ways attentive to the politics of representation? I found Bourdieu’s (2003) notion of “participant objectivation” a useful authoring strategy. He argues that we do not necessarily need to choose between the necessary fiction of participant observation, and the objectivist “gaze from afar.” Calling attention to the conditions that makes research possible, he urges attention to “the social world that has made both the anthropologist and the conscious or unconscious anthropology that she (or he) engages in her anthropological practice—not only her social origins, her position and trajectory in social space, her social and religious memberships and beliefs, gender, age, nationality, etc, but also, and most importantly, her particular position within the microcosm of anthropologists” (2003: 283).

I found an interpretation of social reflexivity, that of objectifying the researcher, useful in reading and authoring the field. The field, as I came to understand it, was a product of social moments of interaction that included disciplinary orientations, class–caste positionalities, and ideologies of both the respondents and researcher. By narrating my efforts at reflexive writing, and questioning my own authorial practice, I hope to have emphasised the political work necessary to create more egalitarian ways to read, make meaning, and author knowledge about different social worlds.

Bringing the Fields Together

Our fields were diverse in terms of physical locations, central actors, disciplinary frameworks, and individual lenses in reading and writing. Yet, they were able to talk to each other on ethical–political tensions, attempted reconciliations, and the role of institutional mandates.

For Rajangam, a heritage practitioner, academic scholarship enabled the recognition of new critical questions, with respect to the expert gaze and community engagements. However, academic practices that emphasised conformity to institutional(ised) mandates foreclosed possibilities of action, creating personal–political dilemmas. Her partial resolution was

to shift the focus from studying “them,” the resident communities, to “us,” namely heritage practitioners, including herself and the ways that practice impacts the field of heritage. In many instances, though an insider, being seen as part-outsider by her field site, enabled the critique of us, especially given the time-bound nature of institutional fieldwork.

Mahajan’s reflections point to challenges in critiquing the practices of the group which one belongs to socially and inhabits, both as a person and parent. Unlike “studying down,” as is the case in much of social science fieldwork, where the researcher typically enjoys greater social power than her respondents, in her case, power relations were generally on par. For her, the central tension was an inability to foreground the voices of gifted children, which was her initial research agenda—a tension that speaks volumes about the limits of disciplinary readings, be they sociological or psychological.

Babu was an archetypal outsider, locating herself in a field where she enjoyed greater social power than her respondents. Even though she recognised that the insider–outsider binary might not sustain on all fronts, the question of power and representation remained central to her dilemmas. She attempted to offer a reflexive account of her presence on the field to find tentative resolutions. Eventually, however, she came to question authorial practices of reflexivity, finding “participant objectivation” useful.

Each of us articulated our research journeys as a way to initiate conversations around academic hierarchies and knowledge production. Focusing on certain challenges we grappled with—the classic insider–outsider question of ethnography connected to researcher privilege and academic–practitioner/activist binaries—helped explicate social power in knowledge production. What we bring to these long-running debates is this: certain dilemmas in field-based research can speak to each other across institutionalised divides, with ethics–politics as the interface or common ground. The question we now ask is: Can one resolve such tensions, while accounting for scholarly work as an ongoing interpretive process? All three authors recognised research as context-driven, yet reconciliation proved challenging; in Mahajan’s case, several dilemmas remained unresolved, while Rajangam and Babu were provisionally able to attempt partial resolutions.

By articulating certain tensions and their (always partial and contextualised) resolutions, we have attempted to consider both institutionalised research practice and ethics-in-practice, including power dynamics in field engagements and authorship. We do not seek to represent doctoral students as field researchers at large. At the same time, we are cognisant of our social locations as forward-caste, middle-class urban women. We offer our accounts as a tale of how a select set of students from an interdisciplinary research institution navigated the field and the writing of doctoral research to raise questions concerning the preparedness of doctoral scholars for fieldwork and the interpretive act of writing. These questions need attention, particularly because the “doing of fieldwork” is rooted in material practices of funding, institutional locations, academic hierarchies, and publications that are inevitable

parts of any institutional academic endeavour. While scholars acknowledge that academic capital is required in being able to occupy institutionalised sites of knowledge production, the general tendency within the social sciences is to frame inquiries around the marginalised other. In many ways, then, our endeavour as doctoral scholars is about acquiring this capital.

However, a common thread across our accounts was that of coming to terms with how to be on the field, not just in terms of research access or methods, but to account for each of us as individuals and researchers, positioned within our specific biographies and personal–political commitments.

Given that critical scholarship often commits to certain social ideals, be it egalitarianism or social change, materialities that include institutional(ised) academic hierarchies acquire greater significance in field engagements. Often, as part of the larger social fabric, universities and academia reproduce the very hierarchies and structures they critique. The explorations of these materialities have led scholars to ask how egalitarian are the social sciences in India? Gopal Guru (2002) revealed that, while social scientists might engage with the concerns of marginalised castes and tribes, Indian social science academia nevertheless, has largely continued to be dominated by the forward castes and fluent speakers of the English language. Guru forcefully argued that the few social scientists who did come from socially marginalised contexts produced empirical data that privileged others used to theorise, sustaining a distinction between theoretical Brahmins and empirical Shudras. Since the publication of the piece, there have been animated debates around the ethics of theorising, particularly of the privileged theorising about the non-privileged (Guru and Sarukkai 2012), with other scholars insisting that the question of representation was not only about ethics but politics, understood as social power whose voice holds social weight (Satyanarayana 2013). While caste might have been the locus of power differentials in much of this discussion, other aspects, including region (Delhi–non Delhi) and seniority, have been explicated in conversations on who becomes empirical Shudras and theoretical Brahmins.

In Reddy et al (2019), a group of sociology-trained doctoral scholars question whether they were producers or simply consumers of knowledge. They discussed how institutional mandates (for instance, University Grants Commission guidelines) required them to produce materially through journal publications. However, in the face of widespread belief in poor-quality student work, they discuss the real challenges of getting published. Yes, there is little writing support in most universities (even if this is gradually changing in a set of relatively elite institutions), and for a large number of students for whom English is not a language of comfort, publishing in English language journals remains a challenge. Given these structural constraints, it is disappointing that, though senior scholars recognise these challenges, they rarely attempt to translate this recognition into pedagogic support structures for doctoral scholars or research associates.

The reflections by doctoral students from the University of Hyderabad struck a chord with many peer researchers as we

could relate to the frustrations of lack of publications, often based on implied understandings of doctoral student work as poor and at the bottom of academic evaluations of rigour. Often, we hear doctoral scholars lament the need of a “big name” for publishing as their scholarship is presumed

unsatisfactory and disappointing. While not denying the affective angst behind such articulations, we sought ways to move with and beyond it through this paper, an attempt to explore the possibilities of pushing this conversation beyond antagonism, at both ends.

NOTES

- 1 By ethical tensions, we allude to protocols of researcher conduct, including disclosing one's presence in the field to observe, analyse, and interpret respondents' day-to-day lives, obtaining consent and respecting participants' rights and autonomy. By political tensions, we acknowledge that all research occurs within a larger social universe infused with power. While we understand all research as political, irrespective of whether it comes to be recognised as such, our projects were intended to be political, foregrounding what we believed were subdued or marginalised voices.
- 2 A notable exception to this includes a special issue of *Café Dissensus* titled “Writing in Academia” (Dasgupta and Lohokare 2019).
- 3 The middle class is a complex, layered social category. Here, I use the term to indicate how the family becomes a site of shaping the middle-class child (Kumar 2016; Malik 2019; Nambissan 2010).

REFERENCES

- Bourdieu, Pierre (2003): “Participant Objectivation: The Huxley Medal Lecture,” *Journal of the Royal Anthropological Institute*, Vol 9, No 2, pp 281–94.
- Burman, Erica (2001): “Beyond the Baby and the Bathwater: Postdualistic Developmental Psychologies for Diverse Childhoods,” *European Early Childhood Education Research Journal*, Vol 9, No 1, pp 5–22.
- Dasgupta, Anannya and Madhura Lohokare (eds) (2019): “Writing in Academia” (special issue), *Café Dissensus*, Issue 50, <https://cafedissensus.com/2019/06/24/contents-writing-in-academia-issue-50/>.
- Geertz, Clifford (1973): “Thick Description: Toward An Interpretive Theory of Culture,” *Interpretation of Cultures*, Clifford Geertz (ed), New York: Basic Books, pp 3–30.
- Ghodsee, Kristen (2016): *From Notes to Narrative: Writing Ethnographies That Everyone Can Read*, Chicago: University of Chicago Press.
- Gupta, Akhil (2012): *Red Tape: Bureaucracy, Structural Violence, and Poverty in India*, Durham: Duke University Press.
- Gupta, Akhil and James Ferguson (1997): “Discipline and Practice: ‘The Field’ as Site, Method, and Location in Anthropology,” *Anthropological Locations: Boundaries and Grounds of a Field Science*, Akhil Gupta and James Ferguson (eds), Berkeley: University of California Press, pp 1–46.
- Guru, Gopal (2002): “How Egalitarian Are The Social Sciences in India,” *Economic & Political Weekly*, Vol 37, No 50, pp 5003–09.
- Guru, Gopal and Sundar Sarukkai (2012): *Cracked Mirror: An Indian Debate on Experience and Theory*, New Delhi: Oxford University Press.
- Harrison, Rodney (2010): “What Is Heritage?” *Understanding the Politics of Heritage*, Rodney Harrison (ed) Manchester: Manchester University Press in association with the Open University, pp 5–42.
- Kumar, Nita (2016): “The Middle-Class Child: Ruminations on Failure,” *Elite and Everyman*, Amita Baviskar and Raka Ray (eds), New Delhi: Routledge, pp 220–45.

- Laine, Sonja (2010): “The Finnish Public Discussion of Giftedness and Gifted Children,” *High Ability Studies*, Vol 21, No 1, pp 63–76.
- Lareau, Annette (2003): *Unequal Childhoods: Class, Race, and Family Life*, Berkeley: University of California Press.
- Malik, Lakshita (2019): “‘Tayyari Jeet Ki’: The Production of Childhoods as a Cultural Trope of Developmentalism,” *Investigating Developmentalism*, Dev Nath Pathak and Amiya Kumar Das (eds), Switzerland: Palgrave Macmillian, pp 141–59.
- Meskill, Lynn (2005): “Archaeological Ethnography: Conversations around Kruger National Park,” *Archaeologies*, Vol 1, No 1, pp 81–100.
- (2011): *The Nature of Heritage: The New South Africa*, Malden: Wiley-Blackwell.
- Nambissan, Geeta (2010): “The Indian Middle Class and Educational Advantages: Family Strategies and Practices,” *The Routledge International Handbook of the Sociology of Education*, Michael W Apple, Stephen J Ball and Luis Armando Gandin (eds), New York: Routledge, pp 285–95.
- Narayan, Kirin (1993): “How Native Is a ‘Native’ Anthropologist?” *American Anthropologist*, Vol 95, No 3, pp 671–86.
- Nash, Roy (2001): “Class ‘Ability’ and Attainment: A Problem for the Sociology of Education,” *British Journal of Sociology of Education*, Vol 22, No 2, pp 189–202.
- National Association for Gifted Children (nd): “Common Characteristics of Gifted Individuals,” <https://www.nagc.org/resources-publications/resources/my-child-gifted/common-characteristics-gifted-individuals>.
- Reddy, Chandrashekar, Gitanjali Joshua, Ipsita Pradhan, Jangkhosei Touhang, Lalatendu Keshari Das, Mitaja Chakraborty, Priyam Sharma, Satheesh Perumalla and Shilpa Krishna (2019):

- “Research Scholars’ Epistemological Predicament,” *Economic & Political Weekly*, Vol 54, No 23, pp 35–42.
- Sarukkai, Sundar (2007): “Dalit Experience and Theory,” *Economic & Political Weekly*, Vol 42, No 40, pp 4043–48.
- Satyanarayana, K (2013): “Experience and Dalit Theory,” *Comparative Studies of South Asia, Africa and the Middle East*, Vol 33, No 3, pp 398–402.
- Sharma, Kritika and Soniya Agrawal (2019): “What is ‘lota’ Doing in PhDs? Why UGC Is Worried about Indian Research,” *Print*, 1 July, <https://theprint.in/india/education/what-is-lota-doing-in-phds-why-ugcs-worried-about-indian-research/255625/>.
- Smith, Laurajane (2004): *Archaeological Theory and the Politics of Cultural Heritage*, London: Routledge.
- Srinivas, M N (2002): “The Fieldworker and the Field: A Village in Karnataka,” *The Fieldworker and the Field: Problems and Challenges in Sociological Investigation*, M N Srinivas, A M Shah and E A Ramaswamy (eds), Oxford: Oxford University Press, pp 19–28.
- Tunbridge, John E and Gregory Ashworth (1996): *Dissonant Heritage: Managing the Past as a Resource in Conflict*, Chichester: Wiley.
- UNESCO (2012): The Himeji Recommendations, whc.unesco.org/document/123338.
- Van Maanen, John (2011): *Tales of the Field: On Writing Ethnography*, Chicago: University of Chicago Press.
- Winter, Tim (2013a): “Going Places: Challenging Directions for the Future of Heritage Studies,” *International Journal of Heritage Studies*, Vol 19, No 4, pp 395–98.
- (2013b): “Clarifying the Critical in Critical Heritage Studies,” *International Journal of Heritage Studies*, Vol 19, No 6, pp 532–45.

EXPANSION

EPWRF India Time Series

(www.epwrfits.in)

Cost of Cultivation of Principal Crops

Cost of Cultivation and Cost of Production data have been added to the Agricultural Statistics module of the *EPWRF India Time Series (ITS)* online database. This sub-module contains statewide, crop-wise data series as detailed below:

- Depending upon their importance to individual states, cost of cultivation and cost of production of principal crops of each state are given in terms of different cost categories classified as A1, A2, etc.
- Items of cost include operational costs such as physical materials (seed, fertiliser, manure, etc), human labour (family, attached and casual), animal and machine labour (hired and owned), irrigation charges, interest on working capital and miscellaneous, and fixed cost such as rental value, land revenue, etc, depreciation and interest on fixed capital.
- In addition, the following related data are given: value of main product and by-product (rupees/hectare), implicit rate (rupees/quintal), number of holdings and tehsils used in the sample study, and derived yield (quintal/hectare).

The data series are available on annual basis from 1970–71.

Agricultural Statistics module constitutes one out of 20 modules of EPWRF ITS covering a range of macro-economic, financial sector and social sector indicators for India.

For more details, visit www.epwrfits.in or e-mail to: its@epwrf.in

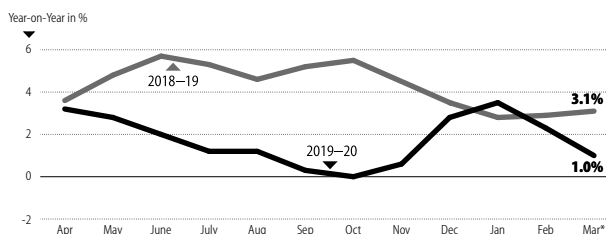
Wholesale Price Index

The annual inflation rate of WPI decreased to 1.7% during April–March 2019–20 from 4.3% registered during the corresponding period of the previous year 2018–19. The index for primary articles declined by (-)0.8% in April 2020 against 6.6% reported a year ago and 3.7% a month ago. The food index decreased by 2.6% compared to 6.4% recorded a year ago and 4.9% a month ago. The index for fuel and power fell by (-)10.1% against 3.8% registered a year ago. The WPI index for all commodities was not computed because of the non-availability of the index for manufactured products.

Consumer Price Index

The CPI-inflation rate increased to 5.9% in March 2020 from 2.9% registered a year ago, but was lower than 6.6% reported in February 2020. The consumer food price index rose by 8.8% against 0.3% reported a year ago, but was lower than 10.8% a month ago. The CPI-rural inflation rate stood at 6.1% and the urban inflation rate at 5.7% compared to 1.8% and 4.1%, recorded a year ago. As per Labour Bureau data, the CPI-inflation rate of agricultural labourers (CPI-AL) increased to 8.8% in April 2020 from 5.0% registered a year ago and that of industrial workers (CPI-IW) decreased to 5.5% in March 2020 from 7.7% reported a year ago.

Movement of WPI Inflation April–March



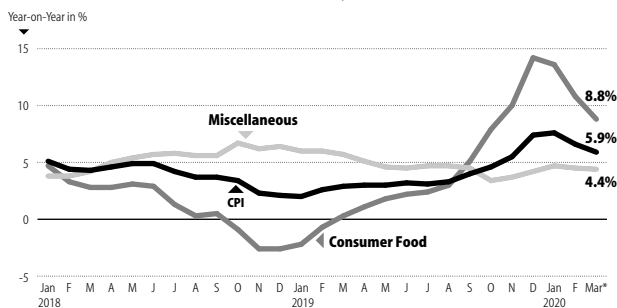
* Data is provisional; Base: 2011–12 = 100.

Trends in WPI and Its Components April 2020* (%)

	Weights	Over Month	Over Year	Financial Year (Averages)		
				2017–18	2018–19	2019–20
All commodities	100	-	-	2.9	4.3	1.7
Primary articles	22.6	-0.9	-0.8	1.4	2.7	6.9
Food articles	15.3	0.7	2.6	2.1	0.3	8.4
Fuel and power	13.2	-8.2	-10.1	8.2	11.5	-1.7
Manufactured products	64.2	-	-	2.7	3.7	0.3

* Data is provisional; Base: 2011–12=100; Source: Ministry of Commerce and Industry.

Movement of CPI Inflation January 2018–March 2020



* Data is provisional. Source: National Statistical Office (NSO), Ministry of Statistics and Programme Implementation, Base: 2012=100.

CPI: Rural and Urban March 2020* (%)

	Latest Month Index	Over Month	Over Year	Financial Year (Avgs)	
				2018–19	2019–20
CPI Combined	148.7	-0.3	5.9	3.4	4.3
Rural (2012=100)	149.8	-0.4	6.1	3.0	5.4
Urban (2012=100)	147.4	-0.2	5.7	3.9	4.8

CPI: Occupation-wise

	Latest Month Index	Over Month	Over Year	Financial Year (Avgs)	
				2018–19	2019–20
Industrial workers (2001=100)	326.0	-0.6	5.5	5.4	7.5
Agricultural labourers (1986–87=100)#	1014.0	0.7	8.8	2.1	8.0

* Provisional; #April 2020 Source: NSO (rural & urban); Labour Bureau (IW and AL).

Foreign Trade

The trade deficit stood at \$6.8 billion (bn) in April 2020 compared to \$15.3 bn registered a year ago. Exports declined by (-)60.3% to \$10.4 bn from \$26.1 bn recorded a year ago. Imports decreased by (-)58.7% to \$17.1 bn from \$41.1 bn. Oil imports were lower by (-)59.0% to \$4.7 bn and non-oil imports by (-)58.5% to \$12.5 bn and \$30.0 bn, respectively. During the financial year 2019–20, cumulative exports declined by (-)4.8% to \$314.3 bn and imports by (-)9.1% to \$467.2 bn from \$330.1 bn and \$514.1 bn, respectively, recorded in 2018–19.

Index of Industrial Production

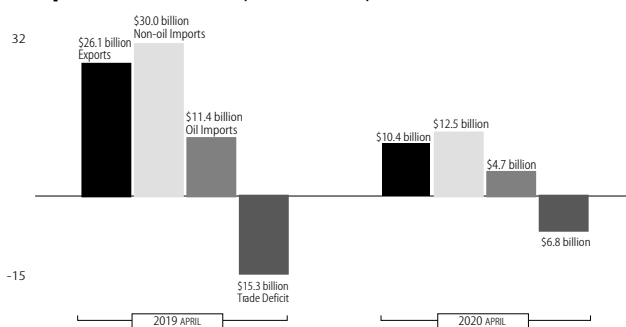
The year-on-year IIP growth rate declined to -16.7% in March 2020 from 2.7% reported a year ago with growth in manufacturing segment falling to -20.6% from 3.1%. Production in mining sector remained unchanged and electricity generation declined by (-)6.8% against 2.2%. As per use-based classification, the growth in capital goods segment fell to -35.6% and infrastructure goods to -23.8% from their respective growth rates of -9.1% and 5.1% registered a year ago. Production of consumer durables contracted by (-)33.1% and of non-durables by (-)16.2% against -3.2% and 1.4%, respectively.

Merchandise Trade April 2020

	April 2020 (\$ bn)	Over Month (%)	Over Year (%)	April–March (2019–20 over 2018–19) (%)
Exports	10.4	-51.6	-60.3	-4.8
Imports	17.1	-45.1	-58.6	-9.1
Trade Deficit	6.8	-30.7	-55.9	-16.9

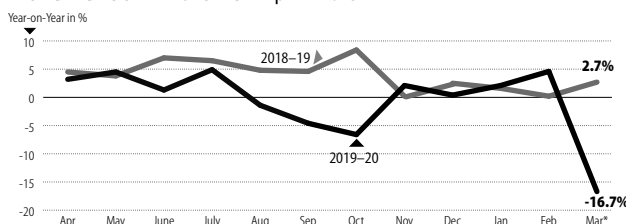
Data is provisional. Source: Ministry of Commerce and Industry.

Components of Trade April 2019 and April 2020



Oil refers to crude petroleum and petroleum products, while non-oil refers to all other commodities.

Movement of IIP Growth April–March



* March 2020 are quick estimates; Base: 2011–12=100.

Industrial Growth: Sector-wise March 2020* (%)

	Weights	Over Month	Over Year	Financial Year (Avgs)	
				2018–19	2019–20
General index	100	-10.0	-16.7	3.8	-0.7
Mining	14.4	7.5	0.0	2.9	1.7
Manufacturing	77.6	-13.9	-20.6	3.9	-1.3
Electricity	8.0	-3.0	-6.8	5.2	1.1

Industrial Growth: Use-based

	Latest Month Index	Over Month	Over Year	Financial Year (Avgs)	
				2018–19	2019–20
Primary goods	34.0	3.4	-3.1	3.5	0.8
Capital goods	8.2	-21.6	-35.6	2.7	-13.7
Intermediate goods	17.2	-11.1	-18.5	0.9	8.8
Infrastructure/Construction goods	12.3	-16.0	-23.8	7.3	-4.0
Consumer durables	12.8	-25.3	-33.1	5.5	-8.4
Consumer non-durables	15.3	-16.0	-16.2	4.0	0.5

* March 2020 are quick estimates; Base: 2011–12=100; Source: NSO, Ministry of Statistics and Programme Implementation.

Comprehensive current economic statistics with regular weekly updates are available at: <http://www.epwrf.in/currentstat.aspx>.

India's Quarterly Estimates of Final Expenditures on GDP

	2017-18				2018-19				2019-20		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Private final consumption expenditure	1769688 (9.3)	1750056 (5.5)	1911901 (5.3)	1948174 (7.7)	1889008 (6.7)	1903853 (8.8)	2046415 (7.0)	2068781 (6.2)	1983491 (5.0)	2010993 (5.6)	2166235 (5.9)
Government final consumption expenditure	362769 (21.6)	367882 (7.4)	319547 (10.5)	293024 (8.9)	393709 (8.5)	407780 (10.8)	341988 (7.0)	335088 (14.4)	428390 (8.8)	461585 (13.2)	382338 (11.8)
Gross fixed capital formation	958859 (0.7)	967190 (5.9)	1014300 (8.8)	1120846 (13.7)	1082670 (12.9)	1077942 (11.5)	1130201 (11.4)	1170154 (4.4)	1129470 (4.3)	1033344 (-4.1)	1071887 (-5.2)
Change in stocks	49996 (61.7)	54050 (75.8)	52497 (78.3)	59252 (79.6)	64131 (28.3)	66159 (22.4)	63999 (21.9)	70126 (18.4)	66411 (3.6)	66732 (0.9)	64668 (1.0)
Valuables	62905 (80.1)	46317 (25.0)	39512 (11.2)	43927 (1.5)	41080 (-34.7)	44629 (-3.6)	39252 (-0.7)	44773 (1.9)	49519 (20.5)	49919 (11.9)	41824 (6.6)
Net trade (Export-import)	-137041	-85422	-128661	-125231	-122238	-141491	-104580	-51925	-117247	-76415	-50489
Exports	627176 (3.9)	639543 (4.5)	646620 (4.4)	688438 (5.0)	686695 (9.5)	719352 (12.5)	748505 (15.8)	767991 (11.6)	708771 (3.2)	703973 (-2.1)	707407 (-5.5)
Less imports	764217 (21.8)	724965 (10.5)	775281 (14.1)	813669 (23.6)	808933 (5.9)	860843 (18.7)	853085 (10.0)	819916 (0.8)	826018 (2.1)	780388 (-9.3)	757896 (-11.2)
Discrepancies	69397	132000	105705	151721	10803	73679	-17242	52683	7482	61000	-11460
Gross domestic product (GDP)	3136572 (5.1)	3232072 (7.3)	3314801 (8.7)	3491715 (7.4)	3359162 (7.1)	3432553 (6.2)	3500033 (5.6)	3689678 (5.7)	3547516 (5.6)	3607157 (5.1)	3665003 (4.7)

India's Overall Balance of Payments (Net): Quarterly

	2018-19 (\$ mn)				2019-20 (\$ mn)			2018-19 (₹ bn)				2019-20 (₹ bn)		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Current account	-15803	-19054	-17752	-4647	-14417	-6512	-1417	-1059	-2.3	-1337	-2.9	-1279	-2.7	-328
Merchandise	-45751	-50037	-49281	-35214	-46182	-38085	-34625	-3065		-3510		-3552		-2482
Invisibles	29947	30984	31529	30567	31765	31573	33208	2006		2174		2272		2154
Services	18676	20256	21678	21331	20076	20444	21880	1251		1421		1562		1503
of which: Software services	18605	19286	19895	19868	20998	21064	21455	1246		1353		1434		1400
Transfers	17031	19331	17424	16160	17964	19952	18693	1141		1356		1256		1139
of which: Private	17216	19511	17558	16317	18224	20188	18932	1153		1369		1265		1150
Income	-5760	-8603	-7573	-6925	-6275	-8822	-7364	-386		-604		-546		-488
Capital account	4787	16604	13770	19241	28208	12283	22355	321	0.7	1165	2.5	992	1.2	1356
of which: Foreign investment	1427	7612	5199	15856	19041	10389	17802	96		534		375		1117
Overall balance	-11338	-1868	-4296	14162	13984	5118	21601	-760	-1.7	-131	-0.3	-310	-0.6	998

Figures in square brackets are percentage to GDP.

Foreign Exchange Reserves

	15 May 2020	17 May 2019	31 March 2020	Over Month	Over Year	Financial Year So Far		Variation		Financial Year			
						2019-20	2020-21	2015-16	2016-17	2017-18	2018-19	2019-20	
Excluding gold but including revaluation effects	₹ crore	3401483	450095	391642	3344616	6784	58453	4828	218620	25300	353270	68050	668976
	\$ mn	450095	9430	-4650	443645	-6134	83458	89880	16297	10160	53217	-14168	56831

Monetary Aggregates

₹ Crore	Outstanding 2020	Variation										
		Over Month	Over Year	Financial Year So Far		Variation		Financial Year				
				2019-20	2020-21	2017-18	2018-19	2019-20				
Money supply (M ₂) as on 8 May	17210080	218454 (1.3)	1770264 (11.5)	7749 (0.1)	410149 (2.4)	1170657 (9.2)	1469480 (10.5)	1367864 (8.9)				
Components												
Currency with public	2474031	82732 (3.5)	356270 (16.8)	65551 (3.2)	124316 (5.3)	495583 (39.2)	292497 (16.6)	297505 (14.5)				
Demand deposits	1579847	-22100 (-1.4)	154525 (10.8)	-20191 (-12.4)	-157846 (-9.1)	86962 (6.2)	142801 (9.6)	11180 (6.8)				
Time deposits	13117929	158975 (1.2)	1249939 (10.5)	146387 (1.2)	443914 (3.5)	585266 (5.8)	1026347 (9.6)	952412 (8.1)				
Other deposits with RBI	38273	-1153 (-2.9)	9530 (33.2)	-2999 (-9.4)	-234 (-0.6)	2817 (13.4)	7835 (32.8)	6765 (21.3)				
Sources												
Net bank credit to government	5576643	244719 (4.6)	974642 (21.2)	213511 (4.9)	670060 (13.7)	144799 (3.8)	387091 (9.7)	518093 (11.8)				
Bank credit to commercial sector	10905094	-86890 (-0.8)	671506 (6.6)	-149132 (-1.4)	-133551 (-1.2)	802225 (9.5)	1169005 (12.7)	655925 (6.3)				
Net foreign exchange assets	3860910	21673 (0.6)	713823 (22.7)	76246 (2.5)	62008 (1.6)	364065 (12.2)	148546 (5.1)	728061 (23.7)				
Banking sector's net non-monetary liabilities	3158881	-38954 (-1.2)	590111 (23.0)	132900 (5.5)	188368 (6.3)	140995 (6.8)	235395 (10.7)	534643 (21.9)				
Reserve money as on 15 May	3095317	79290 (2.6)	278761 (9.9)	46075 (1.7)	65644 (2.2)	518300 (27.3)	351701 (14.5)	259192 (9.4)				
Components												
Currency in circulation	2588918	82652 (3.3)	379163 (17.2)	72984 (3.4)	141639 (5.8)	494078 (37.0)	307423 (16.8)	310508 (14.5)				
Bankers' deposits with RBI	467495	-3374 (-0.7)	-110268 (-19.1)	-24206 (-4.0)	-76393 (-14.0)	21405 (3.9)	36444 (6.4)	-58081 (-9.6)				
Other deposits with RBI	38905	13 (0.0)	9866 (34.0)	-2703 (-8.5)	398 (1.0)	2817 (13.4)	7835 (32.8)	6765 (21.3)				
Sources												
Net RBI credit to Government	1307797	95802 (7.9)	406147 (45.0)	99699 (12.4)	315605 (31.8)	-144836 (-23.3)	325987 (68.5)	190241 (23.7)				
of which: Centre	1302024	90815 (7.5)	405723 (45.3)	95828 (12.0)	312283 (31.6)	-145304 (-23.5)	326187 (68.8)	189268 (23.6)				
RBI credit to banks & commercial sector	-468321	-41396 (9.7)	-523064 (-955.5)	-98108 (-64.2)	-267428 (133.1)	372643 (-120.5)	89478 (0.0)	-353744 (0.0)				
Net foreign exchange assets of RBI	3665026	6621 (0.2)	743376 (25.4)	73063 (2.6)	74624 (2.1)	363571 (15.2)	87806 (3.2)	741815 (26.0)				
Govt's currency liabilities to the public	26315	0 (0.0)	404 (1.6)	23 (0.1)	0 (0.0)	572 (2.3)	236 (0.9)	427 (1.6)				
Net non-monetary liabilities of RBI	1435499	-18264 (-1.3)	348102 (32.0)	28602 (2.7)	57157 (4.1)	73650 (8.8)	151805 (16.7)	319547 (30.2)				

Scheduled Commercial Banks' Indicators (₹ Crore)

(As on 8 May)	Outstanding 2020	Variation										
		Over Month	Over Year	Financial Year So Far		Variation		Financial Year				
				2019-20	2020-21	2017-18	2018-19	2019-20				
Aggregate deposits	13850438	135511 (1.0)	1333045 (10.6)	-56379 (-0.4)	282946 (2.1)	668390 (6.2)	1147722 (10.0)	993720 (7.9)				
Demand	1459077	-22575 (-1.5)	148372 (11.3)	-200582 (-13.3)	-157926 (-9.8)	88843 (6.9)	141004 (10.3)	105716 (7.0)				
Time	12391361	158086 (1.3)	1184673 (10.6)	144203 (1.3)	440872 (3.7)	579547 (6.1)	1066718 (10.0)	888004 (8.0)				
Cash in hand	85154	-16 (-0.0)	8793 (11.5)	1485 (2.0)	-2106 (-2.4)	-1295 (-2.1)	14811 (2.7)	12384 (16.5)				
Balance with RBI	423722	22101 (5.5)	-82202 (-16.2)	-59783 (-10.6)	-81409 (-16.1)	16906 (3.3)	40021 (7.6)	-60576 (-10.7)				
Investments	4028612	102947 (2.6)	517556 (14.7)	129999 (3.8)	335042 (9.1)	287494 (9.5)	62603 (1.9)	312513 (9.2)				
of which: Government securities	4027031	102522 (2.6)	517822 (14.8)	130208 (3.9)	342114 (9.3)	287657 (9.5)	61594 (1.9)	305916 (9.1)				
Bank credit	10252405	-86894 (-0.8)	627649 (6.5)	-146966 (-1.5)	-118455 (-1.1)	783965 (10.0)	1146297 (13.3)	599138 (6.1)				
of which: Non-food credit	10183171	-102055 (-1.0)	620114 (6.5)	-167055 (-1.7)	-135926 (-1.3)	795906 (10.2)	1146676 (13.4)	588985 (6.1)				

Capital Markets

	22 May 2020	Month Ago	Year Ago	Financial Year So Far		2019-20		End of Financial Year		
				Trough	Peak	Trough	Peak	2017-18	2018-19	2019-20
S&P BSE SENSEX (Base: 1978-79=100)	30673 (-21.6)	31380	39110 (12.9)	27591	33718	25981	41953	32969 (12.1)	39714.20 (12.4)	29816 (-21.8)
S&P BSE-100 (Base: 1983-84=100)	9159 (-22.5)	9318	11823 (9.0)	8180	9951	7683	12456	10503 (11.5)	12044.07 (9.1)	8693 (-25.2)
S&P BSE-200 (1989-90=100)	3823 (-21.8)	3882	4888 (6.9)	3416	4140	3209	5185	4433 (12.0)	4986.55 (7.1)	3614 (-25.1)
CNX Nifty-50 (Base: 3 Nov 1995=1000)	9039 (-23.0)	9187	11738 (11.4)	8084	9860	7610	12362	10114 (11.0)	11922.80 (11.1)	8660 (-24.3)
CNX Nifty-500	7416 (-22.7)	7534	9598 (4.9)	6638	8013	6243	10119	8912 (12.6)	9805.05 (5.3)	7003 (-26.3)

Figures in brackets are percentage variations over the specified or over the comparable period of the previous year. | (-) = not relevant | - = not available | NS = new series | PE = provisional estimates

Comprehensive current economic statistics with regular weekly updates are available at: <http://www.epwrf.in/currentstat.aspx>

COVID-19 and the Rhetoric of Social Overhaul

Considering the pandemic as social critique gives us clues for how not to think about the overhauling of social systems.

A P ASHWIN KUMAR

The COVID-19 pandemic has brought many of our systemic vulnerabilities to the surface. Healthcare, administrative efficiency, and supply chain management have all been found wanting in the face of the destruction unleashed by this disease. In response, many have asked how our world should emerge at the end of this dark tunnel. How should we redesign our healthcare, change the capitalist economy, and build systems that are sustainable and resilient?

Michael Sandel, the celebrated justice theorist, has talked about designing a more equitable system that rewards the underdogs of the economy—the nurses, delivery executives, police officers, and doctors who are saving us—rather than continue to disproportionately compensate investment bankers and corporates. Many have said that we missed an opportunity to make the world a better place after the 2008 economic meltdown, but here is a second chance; squandering this one too is going to be costly and criminal. For convenience, let's call people with such advice, the system-haulers. But, alas, they have misunderstood the very nature of the crisis.

A guiding assumption in everyone who has focused on the need for a system-haul, is that a system is a system of principles. That, in itself, is not off the mark. Economists who study exchange systems and biologists who study organic systems routinely assume that understanding a system is akin to discovering the principles by which it works. The catch is elsewhere. The principles that these scientists study are always principles of an *aspect* of the system. And a system can have infinite aspects. There is no principle to describe the system in all its aspects. And that is not for want of analytical prowess, but simply because it is a logical impossibility.

Consider the stock market as a system. Supply and demand rules describe pricing, certain game theoretical rules predict transactional behaviour, and weather forecasting principles predict the shape of the futures market. But, these are only different aspects of the system; there is no principle which can account for all these aspects in their entirety. It is wrong-headed to expect the existence of a meta-systemic, aspect-independent principle to explain the entirety of a system. Of course, many of these aspects can be continually meshed and unified, but there is no possibility of exhausting this process of unification.

A system is not an object that can be handled or hauled. Someone studies the agriculture exports market in India, and someone else studies the inflation patterns in the Indian economy. Here, the system called “Indian economy” functions

as a common horizon term that establishes the commonality of reference for all such studies. Treating a common horizon term as if it is an object available for systematic manipulations is a mistake. The human respiratory system, to take another example, is not something one can show or see. What one can see are windpipes, the movement of the chest cavity while breathing, and other such processes. When a surgeon operates on our lungs, they are using their knowledge of the respiratory system to handle the specific challenges they encounter at the operating table. They are not using the knowledge of these specific challenges to fix the respiratory system itself. The respiratory system is but a learning heuristic. When the surgeon encounters a truly unique occurrence at the operating table, they might change their mental model of the respiratory system—not alter the respiratory system of the patient.

There is no principle to describe the system in all its aspects. And that is not for want of analytical prowess, but simply because it is a logical impossibility

Surely, political systems were overhauled, for instance, during the French and Russian Revolutions? What sense does it make to say that systems are not manipulated or reworked in a similar fashion? There is no doubt that the French and the Russian Revolutions were sweeping changes in society. But, it is within the theory of Marxism, and that too a very specific strain, that these revolutionary changes are evaluated as systemic overhauls. The changes become systemic not by the actions themselves, but by their being evaluated as part of a general framework.

There is a general conservative sentiment that systems are complex, and thus, attempting to change them is necessarily going to be violent and futile. While our sentiments are very similar, there is a difference between the conservative's point and mine. I am not arguing that systems are complex and therefore not amenable to change. My claim is that, categorically, a system is not something that can be manipulated, owing to its logical status. The conservative's point is thoroughly empirical, and probably, profound. Mine is a mundane point, but a categorical one.

When our system-haulers ask for a better world at the end of the pandemic, they make the mistake of assuming that capitalism, or healthcare, or the environment, is such an object-like system, and that there are specific principles that can be changed, switches that can be turned on or off, and moral passions that can be kindled or doused, to reset the system. However, there are no such “factory reset” buttons. The solution to efficient healthcare is not in completely insulating it from market determination, just because we have seen people die in this pandemic. Nor is the solution to the horrendous plight of

migrating labourers in seeking a vaguely defined egalitarian ideal. The solution is probably in the painstaking working out of legal details of contractual obligations and labour laws.

But, there is also no reason for eternal despair. Systems will continue to improve in somewhat the same way as they have in the past. This pandemic has pushed us to explore ever more ways in which social infrastructure can be reimagined. Railway coaches can be converted into emergency aid medical rooms and operation theatres, and probably even taken to remote areas with poor health infrastructure. Pandemics could be covered by public-private partnerships, rather than through mainstream insurance, whether single payer or private. Learning in universities can take more forms than the classical classroom teaching method. And all of us could do with some more soap!

Each of these is a correction to the system in ways that we have learnt from the experience of handling the pandemic these past weeks. These are exactly what we have learnt *in* and *during* the pandemic and not learnt *of* or *about* the pandemic. One or another aspect of our existing systems has been repurposed, tweaked, grafted, or shaved off to deal with specific challenges perceived during the pandemic. We have not made a systemic overhaul. There will be no such overhaul. Nor will it be needed. There is no other lesson, deeper and philosophically more profound, to be learnt about how to redesign our systems to build a world that is more just, more sustainable, or more humane.

What we could do, we have done. Could we do it better? Of course, yes! But blanket calls for systemic reform seldom take seriously the normative question of what makes for just social arrangements, or consider carefully the empirical question of how to assess the impact of specific policy measures. Rather than using this opportunity to focus on the specific and concrete corrections needed to systems of healthcare, labour, private insurance, and other similar institutional mechanisms, the system-haulers' use of the pandemic to call for systemic overhauls is a case of magical thinking.

A P Ashwin Kumar (ashwin.kumar@ahduni.edu.in) teaches at Ahmedabad University. He is the author of *Nationalism, Language and Identity in India: Measures of Community*, Routledge, 2019.

Pixação in São Paulo

Stories from the *Favelas*

Pixação is a visual art form born from resistance that contributes to the cultural production of São Paulo.

VARSHA GOPAL

It is probably past midnight. There are men hanging from the top of a high-rise building, holding on to ropes for stability. Wielding spray paints with pride, they draw something on the wall of the building: something black,

sharp and incomprehensible to the common eye. These men are *pixadores* (or *pichadores*), the city is São Paulo, and the visual is from the documentary *São Paulo City Tellers* (2006) by Francesco Jodice. Most walls of São Paulo, particularly the ones of centrally located modernist buildings, have similar stories to tell. *Pixação* is a visual language pervading the urban terrain of the city. Painted with precision and determination, *pixação* (or *pichação*)—the black, sharp and non-visual counterpart of graffiti—dominates the cultural production of the city. *Pixação* originated in Brazil of the 1980s, as a form of protest during the transition from a military dictatorship to a democracy. From the Portuguese root verb *pichar* (to cover with tar), *pixação* is primarily done in black and monochromatic colours. *Pixadores* convey their messages via monochrome alphanumeric characters, and rarely use visuals, unlike conventional graffiti.

Over the years, *pixação* has become a prominent voice rising from the urban peripheries of São Paulo. In the city's fight against inequality and injustice, *pixação* constitutes a kind of insurgent citizenship

Why do *pixadores* engage in such intense, dangerous and deviant acts? Probable reasons are the need for fame and vanity, but social injustice is often identified to be the underlying driving force. São Paulo is a city popular for the “haves versus have-nots” narrative spun around it by virtue of its severe economic and social inequalities. Different classes of people relate to the city differently. For instance, before the 2016 Rio Olympics, state-led developmental projects resulted in the eviction and displacement of poor residents while benefiting the wealthy. *Pixadores*, who are mostly poor men from the peripheries of the city, express their angst and anger at this inequality through the sharp black letters drawn on the heart of the city, to which they are denied access on multiple levels. The origins of this attack on centrally located modernist buildings can be traced back to the 1940s and 1950s when urban renewal projects, headed by skyscrapers and an unprecedented building boom, culminated in uneven urbanisation. A by-product of this was the destruction of buildings in the part of the town where the poor worked. They were presented with two options: either go to the peripheries or be part of the *favelas* (urban slums) and the city's urban poor. The peripheries were the popular option, despite lacking basic sanitation and other infrastructure. The city was divided, and remains so.

Deciding to fight against subjugation and inequality, the urban poor turned to *pixação*. As a tool of resistance, *pixação* granted the actors anonymity and also built an internal system of communication, as *pixação* is written in a code understandable only to *pixadores*. This also opened the window to an accommodative street democracy where they could represent their work without fear of censorship and where people could become active participants in the discourse on uneven development and urbanisation. Over

Deciding to fight against subjugation and inequality, the urban poor turned to *pixação*. As a tool of resistance, *pixação* granted the actors anonymity and also built an internal system of communication, as *pixação* is written in a code understandable only to *pixadores*. This also opened the window to an accommodative street democracy where they could represent their work without fear of censorship and where people could become active participants in the discourse on uneven development and urbanisation. Over

the years, *pixação* has become a prominent voice rising from the urban peripheries of São Paulo. In the city's fight against inequality and injustice, *pixação* constitutes a kind of insurgent citizenship.

This fight has been local and global simultaneously. The attractiveness of transgression has led to manufacturers like Nike and Puma designing sportswear with typefaces very obviously inspired by *pixação*. Over the decades, *pixação* has gained great visibility in global media and communication, with multiple short films dedicated to São Paulo and its *pixação*. Short films and documentaries like *Pixo* (2009) and *Pixadores* (2014) aid in translating the private language of the *pixadores* and convey their intent and messages to a largely global, internet-consuming population. In addition to this, *pixadores* themselves associate with galleries, exhibitions and advertising campaigns. As the booming popularity of *pixação* shows, the subaltern's speech is being heard and amplified.

However, the upper classes and the government react to these protests from the favelas in antagonistic terms: they label it "urban alpinism," seeing it as a radical urban sport and "visual pollution" while characterising it as an anarchical narrative. The government has taken various steps to hide and push into non-existence *pixação* and *pixadores*, by painting over the *pixação* with grey colour, or restrict it to predetermined and controlled boundaries. Ironically, they try to contain transgression.

Nevertheless, in a case of the tables being turned, the marginalised are taking over the cultural production of the city. *Pixação*, along with countercultural music, is widely accepted to be the cultural manifestation of the city. Being an art form that has achieved visibility throughout the city, top to bottom, literally, and that has provided historically oppressed sections of the society with the means to represent themselves, it has been recognised for its importance and given representation within galleries. *Pixadores* are given the respect reserved for serious artists, and are invited to art fairs, festivals, and conferences at universities. And those relegated to the fringes continue to contribute to the formation of the Brazilian and Paulistonian identity in terms of being one of the graffiti capitals of the world.

The *pixadores* in São Paulo turn to their craft as an expression of the image of the poor, and as a resistance against the margins to which they have been historically and discursively constrained. Harking back to where the discussion began, the roofs of high-rise buildings have two stories to tell: the millionaires hop onto their helicopters and become mobile, whereas the *pixadores* suspend themselves from these very rooftops in their quest for mobility, social and economic.

[Images accompanying this article are available on the *EPW* website.]

Varsha Gopal (vgopal1999@gmail.com) is pursuing her master's in Development Studies at the Indian Institute of Technology Madras. Her interests lie at the intersection of gender, sexuality and labour studies.

The Coming of Corona

In this personal essay, the author reflects on life at the threshold of the COVID-19 pandemic.

MADHUMATI DUTTA

Those were the early days of the COVID-19 pandemic, and we didn't know just how severe the impending upheaval would be. Some of us could distinguish between the correct and incorrect methods of fighting the virus—the latter including the consumption of cow urine or boiled garlic, and chanting "go corona go" a thousand times. But, that was not a time when social (or rather, physical) distancing was enforced strictly, which is why I ventured out one evening to visit a relative who lived nearby. I stared at our elevator button for a few seconds before remembering to use my knuckles to press it. It hurt, and on hindsight, wasn't really necessary. I had to use my hands anyway to open and close the collapsible gates. As I was doing that, I imagined all the other hands that had touched it. This was followed by the handling of several more gates, by the end of which I wanted to dissociate myself from my hands. They felt foreign, alien to my body. What do you do when the hands that you use to touch everything become the problem themselves, I thought. And immediately, as if on cue, my nose started itching. I seemed to helplessly feel the spikey viruses climbing through my nose on their journey into my body.

Another time, an old schoolmate was acting in a play with acclaimed thespians, and many of us—batchmates and friends—were supposed to attend. I was desperately hoping that the programme would be postponed, but because it was still the early days of the pandemic, it was not. My family advised me to wear a mask while in the auditorium, but when I took my seat, I saw only three other people wearing masks, and each of them looked rather old. Not wanting to look old myself, I decided not to wear the simple medical mask that had been retrieved from its protracted and idle existence in the medicine chest. As the play began, a sense of suffocation engulfed me: What if I cough? What if someone else coughs? Again, as if on cue, someone else did—and all of a sudden, as several small plastic bottles were taken out of bags, the cloyingly sweet scent of the hand sanitiser, the gift of market enterprise to mankind, pervaded the air.

My mind's eye floated through factory floors where lines of hand sanitiser bottles moved on conveyor belts. I wondered whether it might be a good idea, even as share prices were tumbling into oblivion, to invest in companies producing this coveted item. As we trooped out at the end of the play, my relief was tempered by the realisation that it would be a long time before I would again be part of such a large audience. The number of infected persons was escalating,

the country was slowly moving towards prohibiting gatherings and, if things got worse, enforcing a complete lockdown. But, on that day, as I walked the streets of my chaotic city, I found comfort in the normality of disorder, in the absence of panic. People crowded around stalls selling succulent chicken rolls, the buses were full, friends sat in clusters at roadside tea shacks. I remembered a recent snapshot of Rome's Spanish Steps from the news: while normally they would disappear under a swarm of colourful tourists giving their tired legs a break, the steps now sported a grey, abandoned look. Is that how our streets would look two weeks from now, I wondered.

After the soap rub ritual at home, I took out my smartphone to catch up with the latest conversations on WhatsApp. A friend had described lunch hour in her home, when she, her husband, and her daughter were sitting in separate rooms, attending online meetings and eating sandwiches. I was reminded of a futuristic short story in which a family never met except online, when it occurred to me that my phone, as I had used it continually on my recent expedition, was "polluted" and needed to be sanitised. How, though? And what about everything else that entered my home from the world outside? Should I hold the newspaper at a distance and wash my hands after handling it? How does one wash money? Do I wash fruits and vegetables with soap? As for the ladies who took care of our home, I had spent a morning explaining why they had to wash their hands before touching anything. One of them, however, refused point blank, and the spectre of life without those who allowed me to keep my nose inside my laptop made its first appearance.

The escalating paranoia kept me cooped up at home for two days. Fortuitously, I had subscribed to Netflix just the previous month. I binge-watched a series about two senior ladies having an inordinate amount of fun with each other and with the world. At the end of it I badly needed some fun myself—a drink with a friend, perhaps? The next evening, therefore, I summoned a taxi to meet a willing victim at a restaurant. Once there, however, I became immediately conscious of the number of potentially "polluted" things one touched. Visiting the toilet was precarious, for example. After washing one's hands under the tap, one tore off some (hopefully uncontaminated) toilet paper to push the door handle, somehow managing to throw it in the bin while sliding out before the door swung shut—an exercise requiring both practice and agility! Even as we were enjoying our drink and conversation, my friend and I noticed a sudden change. All the waiters had put on masks. I wondered what news could have prodded the management to give this directive. The masks dehumanised them; they looked like robots floating around on the moon. On my trip home, in the air-conditioned confines of the taxi that had ferried

hundreds of potential carriers of the virus like myself, I ruminated on the impossibility of keeping away from the invisible and all-pervading pestilence.

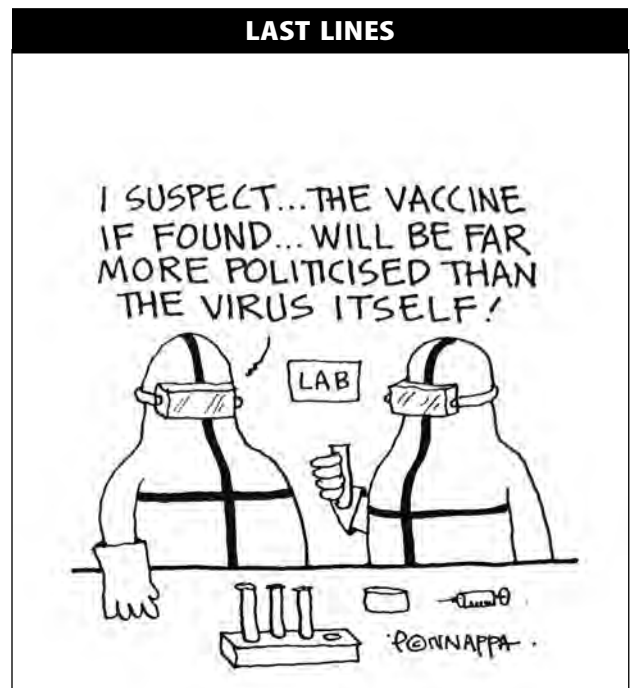
That was just the prelude. It is uncannily silent now; one only hears the barking of hungry dogs wandering the empty streets. In the lanes and by-lanes of the less organised localities that border ours, small groups gather guiltily, grabbing short conversations. They look at me, the unknown passer-by, in fear. A woman carrying a grocery bag covers her face with the end of her sari as she passes me on a desolate street.

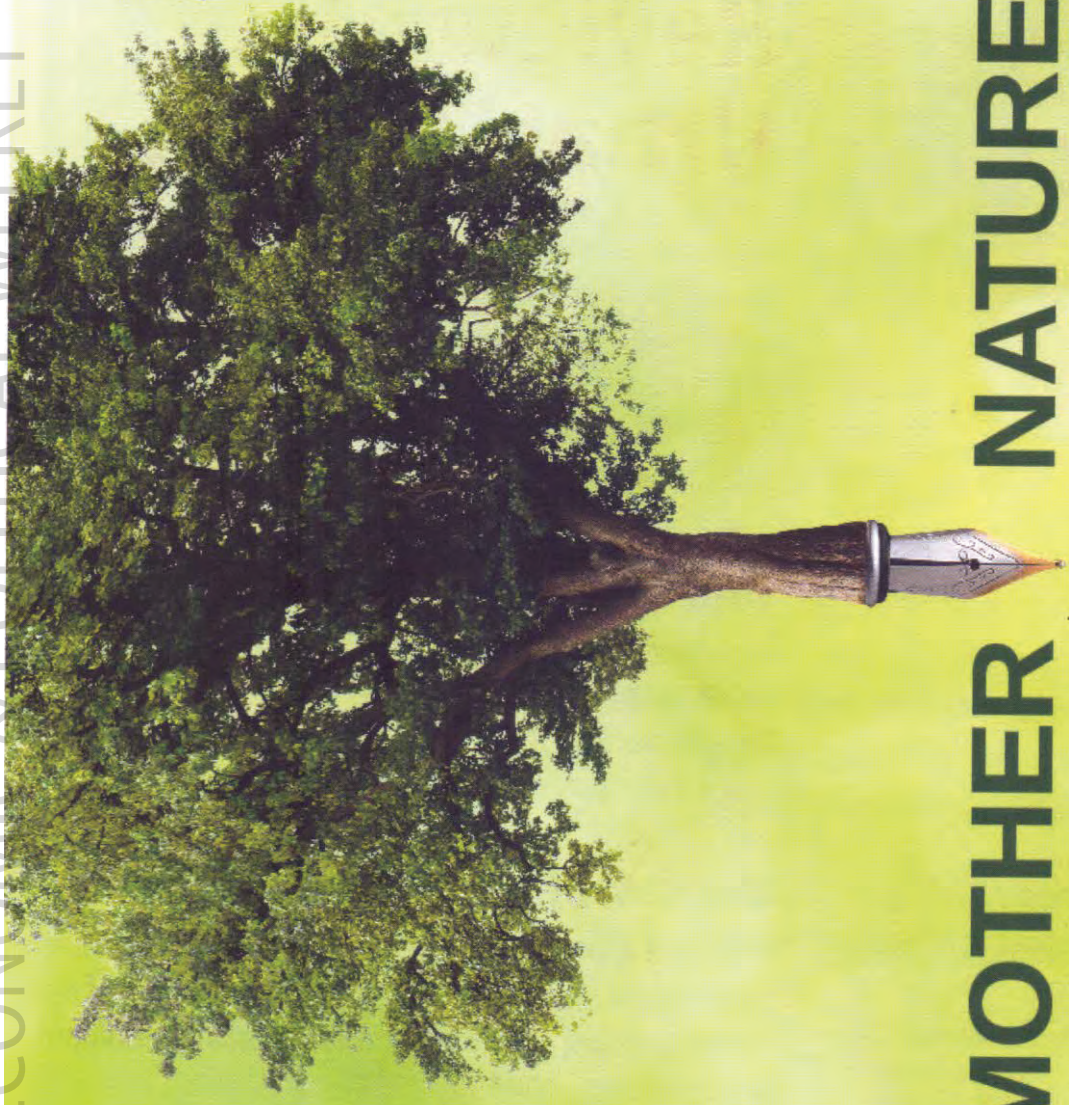
The end, right now, is not in sight. The number of times I wash my hands would put Lady Macbeth to shame. Simple errands like procuring everyday needs have become, thanks to the elaborate purification rituals, humongous tasks. My awareness of invisible germs lurking everywhere, turning innocent everyday items into life-sucking demons, has increased manifold, leaving me perpetually preoccupied, perhaps even crazy. This was a city where, to feel less lonely and find peace, one only had to go for a walk. But that city no longer exists. I find solace in immersing myself in that other world, the world that is safe within the four borders of my television. Even then, I flinch at the sight of people hugging or shaking hands on screen, and worry when someone presses the elevator button.

The number of times I wash my hands would put Lady Macbeth to shame. Simple errands like procuring everyday needs have become, thanks to the elaborate purification rituals, humongous tasks

Madhumati Dutta (madhumatidutta@yahoo.co.in) retired as a professor, researching Environmental Economics, at IEST Shibpur. Her interests include writing, travel and singing.

LAST LINES





MOTHER NATURE

Mother Nature has helped us write an impressive growth story ever since we became the greenest cement company in the world with the lowest carbon footprint*.

*GNR data of Cement Sustainability Initiative member companies

**HAR EK KAAM
DESH KE NAAM**



WE HAVE A BILLION PLUS

1



Indians to thank...

Your support fuels our passion to serve.

ECONOMIC & POLITICAL WEEKLY