

The background of the image is a dark blue and purple night sky filled with numerous white stars of varying sizes. In the foreground, there is a silhouette of a forest of evergreen trees. The overall aesthetic is serene and nocturnal.

# TOPIC OF THE WEEK

## AUGUST'19 (22 to 28 Aug)

## **Development – Whose agenda?**

What entails 'development' for a country? Is it a steadily growing economy? Or rather people's health, education and income? The human development concept was pioneered by Pakistani economist Mahbub ul Haq. At the World Bank in the 1970s, and later as minister of finance, he argued that existing measures of human progress, such as the Gross Domestic Product, provides only a partial view of how people are faring. They fail to account for the true purpose of development—to improve people's lives. Dr Haq's research, along with economist and Nobel Prize winner Amartya Sen's work on human capabilities and other contributions, led to the Human Development Index, first used in the 1990 Human Development Report published by the United Nations Development Programme. The Human Development Index has become an official government statistic in several countries, and the annual HDI publication sparks national debates and policy initiatives to improve people's lives.

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and

partnerships. India's GDP is estimated to have increased 7.2 per cent in 2017-18 and 7 per cent in 2018-19. India has retained its position as the third largest startup base in the world with over 4,750 technology start-ups. India's labor force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labor force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's foreign exchange reserves were US\$ 405.64 billion in the week up to March 15, 2019, according to data from the RBI. The interim Union Budget for 2019-20 was announced by Mr Piyush Goyal, Union Minister for Finance, Corporate Affairs, Railways and Coal, Government of India, in Parliament on February 01, 2019. It focuses on supporting the needy farmers, economically less privileged, workers in the unorganized sector and salaried employees, while continuing the Government of India's push towards better physical and social infrastructure. Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost

the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

Our government have seen a high-octane publicity campaign over various flagship schemes that have been closely associated with the prime minister. But a closer look at many of these schemes shows that the cores of rupees spent on PR mask tales of unattained goals and unkept promises. There are many features common to these schemes – a misplaced and half-baked vision, big promises, large-scale promotion, misleading numbers and goals, and ultimately, key qualitative failures that have compromised the future of the country in key areas. The flagship scheme Pradhan Mantri Kaushal Vikas Yojana (PMKYV) – part of Skill India programme – aimed

at providing youth “industry-relevant skills”. Since its inception it has trained 41.3 lakh people, but only 6.15 lakh of them have got jobs – a mere 15 per cent. This is despite nearly Rs 12,000 crore being allocated for the scheme. The Sharada Prasad Committee, which examined the first phase of the scheme, noted that it had not been evaluated to find out its outcome. The committee’s consultations with stakeholders, it said, revealed that “Everybody was chasing numbers without providing employment to the youth or meeting sectoral industry needs.” In this rush for numbers, the question of how the trainees would be accommodated never seems to have been considered. The report also noted that the Sector Skill Councils set up during the first phase of the PMKYV that developed curricula for programmes and certified trainees “compromised in quality of training, assessment and certification.” The committee’s damning conclusion that “an amount of Rs 2,500 crore of public funds was spent to benefit the private sector without serving the twin purposes of meeting the exact skill needs of the industry and providing employment to youth at decent wages” demonstrates the extent to which the mission went wrong in estimating the country’s requirements.

Another famous scheme is PRADHAN MANTRI UJJWALA YOJANA, this scheme to provide free gas connections to rural families below the poverty line was supposed to make a big difference to the lives and health of rural women who depend on use of polluting fuels like coal, wood, dung for cooking. The aim to provide 3.5 crore connections was completed by April 2018. This is being claimed as one of the biggest achievements of the Modi government. What is the reality? The subsidy on a 14.2 kg gas cylinder refill is between two to three hundred rupees. So to pay back the Rs 1,500 for the stove, at least five to seven refills are required. Thus the beneficiaries will have to pay the full cost of the cylinder these many times. In the last three years, the price of a subsidized gas cylinder refill has gone up by a whopping 20 per cent. Which poor rural family can afford this?

That is why even though the number of connections has increased by over 16 per cent since the scheme was launched, but the use of gas cylinders went up by just 9 per cent, which is lower than the rate in 2014-15 before the scheme started. The government has refused to put out the actual segregated data of use of gas cylinders at the district or block level or even between rural and urban areas. Ground level reports show that the burden of the

high prices of refills, the poor delivery systems, the absence of safety monitoring measures have led to the failure of the scheme when the large majority of the beneficiaries have gone back to the use of polluting fuels.

The present government has specialized in creating an alphabet soup of schemes but as the examples of some big ticket schemes given above show, they have failed miserably. Meanwhile, other equally important existing schemes like the MGNREGS, ICDS, Mid-Day Meal, NHM etc, that address crucial aspects like job guarantee, health, education or children's nutrition are underfunded, bogged down in digital bureaucracy and floundering on the rocks of neo-liberal obstruction. But even if 39 schemes sound pretty impressive, they are not so effective when it comes to the basics. And like many other government schemes, there are overlaps in these schemes, are without any clear mandate, and there's hardly any awareness among the beneficiaries. Another piece of irony is that some of the hospitalization schemes can't be used at all, given that many villages do not even have hospitals. Most villages have only primary health centers where people take medicines to treat an ailment instead of getting hospitalized, which explains

the fewer number of claims. In a nutshell, we can say that development terminology does not means only taking care of or talking about GDP. It has a much wider meaning. For development we cannot concentrate only about the people who are below poverty line rather we have to think and plan for all.

**For reference:-**

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**Additional Readings:-**

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