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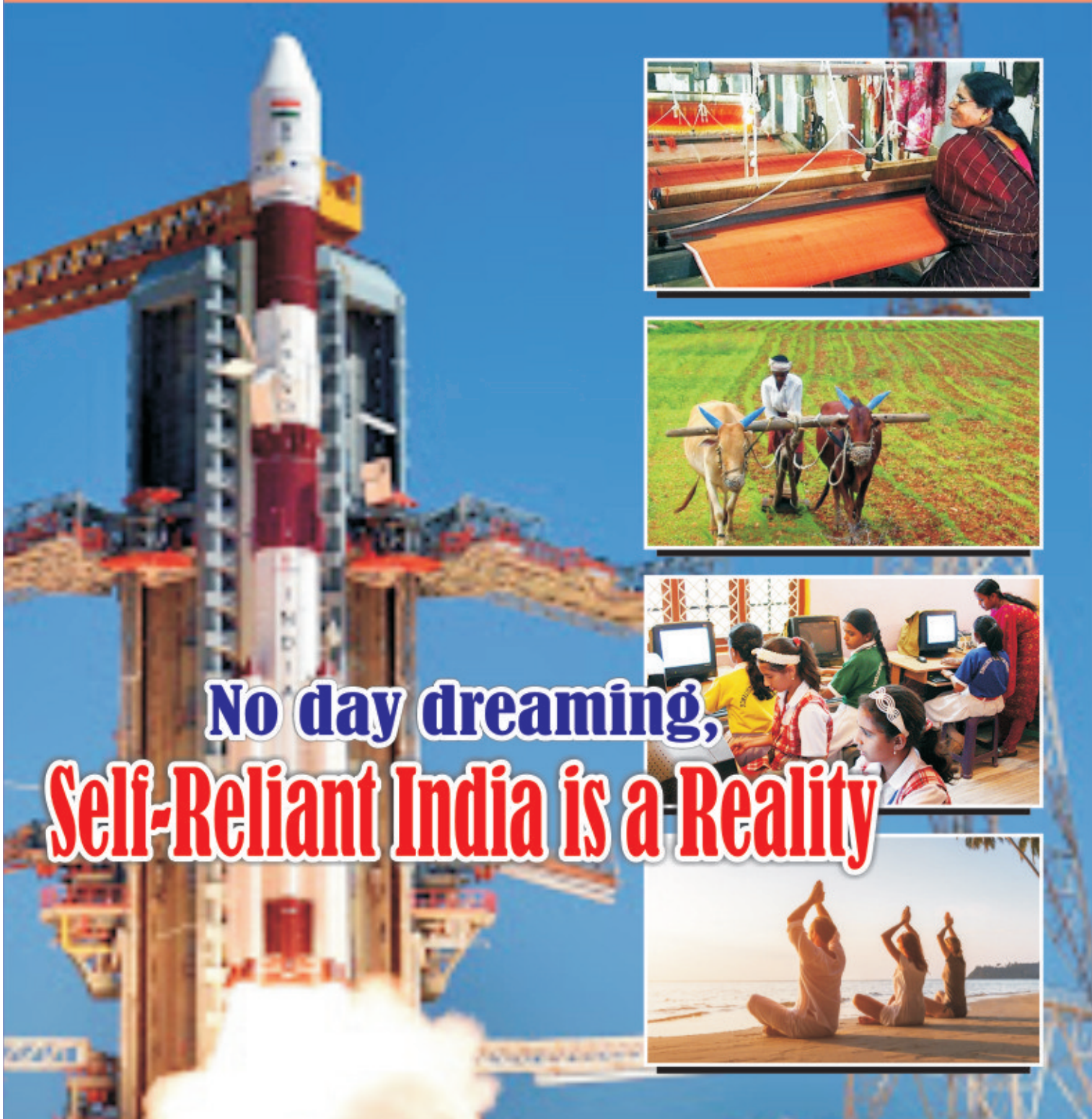
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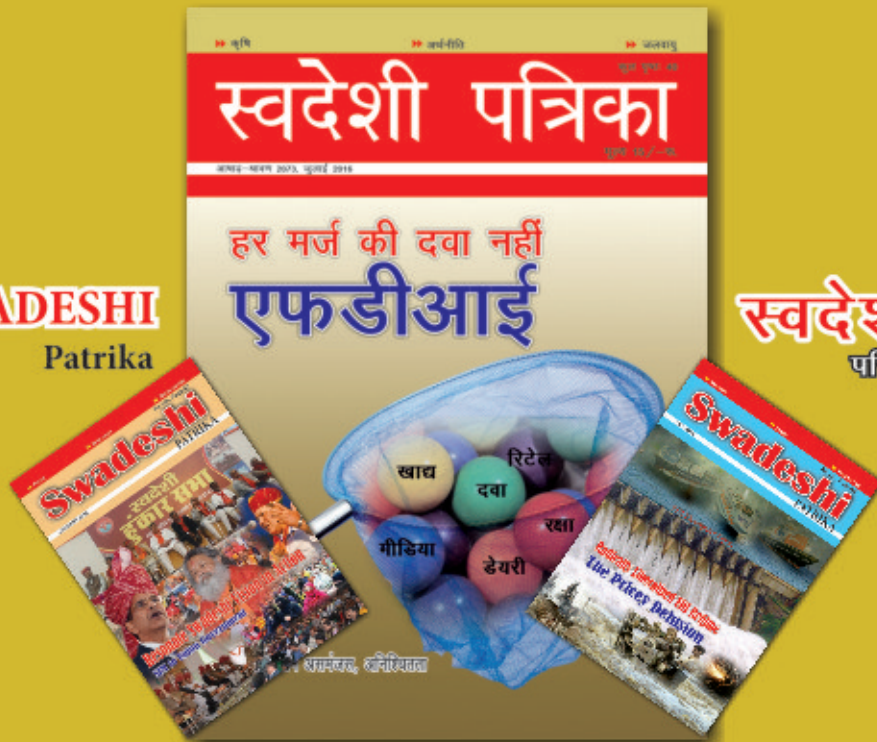
JUNE 2020



**No day dreaming,
Self-Reliant India is a Reality**

VOICE OF SELF RELIANT INDIA

SWADESHI
Patrika



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पत्रिका

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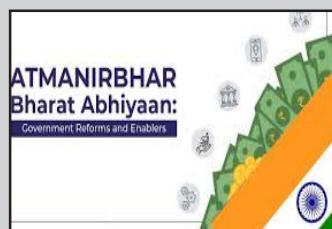
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Boycott chinese goods

In view of present tension on India China Border and massive unemployment in India due to Corona 19 induced lockdown it is right time to give call to indian public, traders, mall owners to boycott all type of chinese goods.

You will be aware that almost all consumers goods imported from china are imported by under invoicing to avoid custom duty and no retailer are issuing Official tax invoice for such products. Retailers stick their own label showing higher price, on the label pasted on the product declaring MRP of the product which is disclosed very low to avoid custom duty. And for this reason they do not issue any tax invoice (Pucca Bill). Government must be aware of this mal-practice. SJM shall force government to take action against this also. This will also generate self employment and other employment in India.

– CA Jayesg S. Shab, Borivali (W), Mumbai, Maharashtra

Recent amendments by the Central Government for the farm sector

The eNAM initiative has failed to yield desired results as many states are yet to amend respective APMC related laws. The Union Cabinet approved amendments to the 'Essential Commodities Act' by delisting few commodities like cereals, pulses, oilseeds, edible oils, onion, and potatoes. The freedom to produce, hold, move, distribute and supply should stimulate investment in modernization of the food supply chain. The cabinet also approved 'The Farming Product Trade and Commerce (Promotion and Facilitation) Ordinance, 2020' which removes all restrictions for farmers in selling agri-produce outside the notified APMC market areas. It also approved 'The Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020' to empower farmers to engage with processors, aggregators, wholesalers, large retailers, and exporters. The farmers should be made aware of these steps as these remove the middleman from the farm supply chain and as a result, these steps aims to increase in the income of farmers.

– Kumar Gaurav, Delhi

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Quote-Unquote



'Self-reliance' is the new mantra of development which implies economic system that is employable, energy efficient, and environment-friendly – this will be next stage of national reconstruction.

Dr. Mohan Bhagwat

Sarsanghchalak, RSS



Five things are utmost important to make India a self-reliant economy – Intent, Inclusion, Investment, Infrastructure & Innovation.

Narendra Modi,

Prime Minister, India



Corona has been affected by global disease all over the world. India accepted this challenge with a firm determination.

Rajnath Singh

Defence Minister, India



MSME have to be supported and strengthened by all means so that they not only create employment opportunities but also produce high quality products at the most economical cost.

Dr. Ashwani Mahajan

Co-convenor, SJM

Labourers Plight: Opposition is Shedding Crocodile Tears

The lock-down enforced by the government due to Chinese virus, forced migrant laborers, deprived of jobs and occupations to return from large cities to their native villages. Due to the absence of any type of vehicle due to lock-down, they started moving towards their village on foot, then the governments swung into action and provided vehicles for them. But despite that stories of their agony are disturbing. They all came out of their respective villages in the hope of a good job and a better life; however, the state in which they went back from the cities is telling story of their miseries.

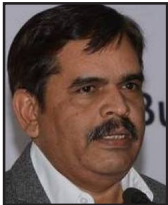
Naturally these workers, after losing employment, were forced to migrate from the cities to their villages due to their weak economic conditions. A strong desire or to say compulsion, to return back to the villages in large numbers; and conditions in which they started their journey, give a frightening picture that was extremely heart-wrenching. However, unfortunately our political parties especially the main opposition party Congress, is doing nothing except politics.

It is true that the pictures of people, carrying the bundle on their head or carrying whatever their belongings say, their accumulated savings and articles of daily needs in their bag, returning to their village are really hurting any sensitive mind. The mere imagination of their state of mind distracts the heart. But who is responsible for this condition of laborers? Talking about the economic reforms started from 1991, the policy makers of that time had said that after independence, the policy of public sector based quota-license raj, protection of domestic industries and especially small industries, etc. have all failed to solve the problems faced by the country; and now we have to follow the policy of liberalization, privatization and globalization (LPG). Protection of small scale industries and domestic industries was abolished. Importance was started being given to large corporate and mostly foreign companies. It was even said that the development of the country can only be done by foreign multinationals. Foreign influence in companies, already operating efficiently, started increasing. Economic reforms and increasing dominance of foreign capital had become synonymous. GDP growth was considered synonymous of development. But today, we see the condition of crores of laborers that they are still deprived of basic necessities of life. Their condition is gauged from the fact that crores of workers couldn't withstand the situation arising out of a few days of lockdown and were forced to return to their villages. Their financial situation did not allow them to wait for even a few more days. The question is why the economic policies that boast of high growth could not empower enough the poor laborer financially? In fact, this LPG policy was not for the benefit of the poor labor and farmer. Some easily understandable figures expose this policy. Thomas Piketty, a world-renowned economist and author of the book 'Capital in the Twenty First Century', after analyzing Indian economic growth, writes that 66% of all GDP growth which happened between 1980 and 2014 reached only the top 10% people and half of that i.e. 33% share was taken over by only top 1% of the people. If we look at the condition of the laborers, we find that in 1991, the share of labor in the total value addition i.e. production was 78%; now it has been reduced to just 45% ; while the share of profit increased from 19% to 52% during the same period. Monetary wages have increased by 7 times since 1991 till 2017-18, however, during the same period; prices have also gone up by 6.5 times (Source: Annual Survey of Industries). This means that there has been a very marginal increase in real wages. While the real GDP has increased at least 10 times during this period, such a small increase in real wages looks ridiculous. Meanwhile the deprivations have also increased much more than ever. Despite all tall claims of globalists, 37% of our children between one to five years of age are stunted (low height for age), 22% are wasted (low weight for height) and 34% are underweight, as per National Family Health Survey-4 (2014-15). The factual condition of laborers can be felt and seen on the streets these days, which migrated to urban areas, especially metros in search of employment and better living. But the irony is that the political parties responsible for this plight of the workers and peasants, are trying to pose as their real well wishers.

We need to realize that current model of LPG based development has failed miserably. Today it is necessary that this model of development be changed. We need to shun this model, based on corporate, FDI and multinational companies and adopt a model that takes care of employment; income and wealth distribution along with production; a model in which decentralized development takes place, with human values and sensibilities. Prime Minister Narendra Modi has recently advocated strongly for 'local', who meaning thereby, promotion of production and feel proud of the goods produced locally. This will also provide more income opportunities to un-utilized labor. This model of development based on local and self-reliance will be beneficial for all. This will also make villagers happy and villages more prosperous, with rural industries and other farm and nonfarm economic activities. Then the expatriates who have returned to their homes will not be compelled to return to the cities.

No day dreaming, Self-Reliant India is a Reality

After the new economic policy started in 1991, the policy makers were so much obsessed with the idea of globalization, that they were hardly concerned about domestic manufacturing production, protection and promotion of industries, self-reliance etc. With constant reduction in tariffs message was being sent to the world indicating that they could sell their goods in India at minimal tariff. It was also being said that due to lower tariffs, spare parts and finished goods coming from abroad, consumers will get cheaper goods and their standard of living will be better. But the country witnessed constantly widening foreign trade deficit, since 1991 and more rapidly after 2001 and it had reached 190 billion dollars by the year 2012-13. After 2013, our trade deficit softened after decline in international oil prices. However, even after that it remained high (and reached around \$ 184 billion dollars in 2018-19). It can be understood that since we were importing so much that our dependence on other countries, especially China has increased enormously. Our industries either shut down or started working at levels far below their capacity. This directly impacted our employment generation. It is well known that on the one hand our unemployment started increasing due to decline in manufacturing due to indiscriminate increase in imports and lack of employment generation opportunities in traditional agriculture on the one hand and due to limited and sometimes decreasing employment opportunities in the service sector on the other. It is being said that today we are facing an unprecedented problem of unemployment. The rate of youth unemployment is even higher than that. The dependence on China for many medical devices, including APIs, face masks, PPE kits, and testing kits panicked not only India, but the entire



If the appeal to boycott Chinese goods gets spread, then in the coming years there can be further significant decrease in imports from China and our self-reliance efforts would get a boost.

Dr. Ashwani Mahajan



world. At the same time it was realised that the economists who were advocating for opening of agricultural markets completely for import and not thinking of self-sufficiency in food sector, in fact were misleading the country. It can be understood that the obsession for globalization was so overwhelming that they could not foresee the imperative of food self-sufficiency for the survival of the countrymen in the event of war or epidemic. Now the policy makers have understood that if the poor could be provided food in the entire country or if all the countrymen are able to meet their food needs during the lock-down, it is our self-sufficiency in food, which could make it possible. Significantly, we are self-sufficient in most of the items including food grains, pulses, fruits, vegetables and milk except edible oils.

Prime Minister's Call

After making an emotional appeal for the use of Khadi and the local products for a long time, Prime Minister Narendra Modi has now given a call in his address to the nation urging and encouraging the purchase of local products, as a lesson learnt from this pandemic. On 12 May, he has given the slogan of 'Vocal for Local'. And he has also reiterated the goal of self-reliant India. The way the pandemic spread from the city of Wuhan in China and also the way its reality was hidden from the rest of the world and world was kept in complete dark, China did a heinous act of seeding of this disease into the world. The whole world is not only angry with China; there is an atmosphere of boycott of Chinese goods all over the world. In such



PM Narendra Modi has now given a call in his address to the nation urging and encouraging the purchase of local products, as a lesson learnt from this pandemic.

a situation, most people in India are vowing to boycott Chinese goods. Sonam Wangchuk, a well-known social activist of Ladakh and winner of Magsaysay Award, has given the message of boycott of Chinese goods, which has gone viral and strengthened the movement against China. People are boycotting Chinese goods, removing TikTok and other Chinese apps from their mobile phones; issuing alerts about threats from China on social media, suggesting Indian options, urging government about stopping Chinese imports. Demand to keep Chinese companies out of all tenders has started gaining momentum. The idea of boycott of China and self-reliance has become synonymous. In such a situation, there has been a churning amongst the social activists, media and policy makers whether this call of self-reliance is practical or just a dream.

No distant dream, it's a reality

But there are some people who are trying to create this impression that the Chinese boycott cannot be successful. Although they are unable to oppose boycott of China under the present circumstances, they are trying to prove that India does not have the capacity to substitute Chinese goods and make

the boycott successful. They offer some examples that today we are highly dependent on China and other countries for our different types of needs. As we lack competitiveness, self reliance is a distant dream. They argue that we depend on China for Active pharmaceutical ingredients (APIs) electronics components, machinery etc. Therefore, the boycott of China will increase the cost of these industries and we will be out of the competition.

It is true that, not only we will have to build capacity, we also have to be competitive, which is still a bit challenging, because Chinese goods are very cheap due to large scale dumping by China and other illicit practices including under-invoicing. Therefore, on the one hand Indian industries will have to work hard; government will also have to lend a helping hand by supporting industry through financial and fiscal measures as well as protecting them from unfair trade by way of anti-dumping duties, tariff hikes and non tariff barriers on Chinese imports.

In the field of electronic and telecom, we are yet to make a start. India's capacity in the machinery industry is also very weak; we are behind China in metals and chemicals, so how to be self-reliant?

[Continued on page no. 13]

Sino-Indian Trade: Beyond Jingoism

India imports merchandise worth around 70 billion dollar from China annually, largely in sectors like consumers durables, auto components, pharma, and electricals. This comes to about 14 percent of our total imports. In calendar year (cy) imports stood at 84 billion dollar (18 percent of total). The odds are stacked against India.

Over dependence on one country is fraught with danger. Besides, China is not exactly a friendly nation to India. Moreover, China uses trade as weapon to silence criticism- in political fields – quite often. It recently has blocked import of Australian beef after the latter called for a robust inquiry into the origins of the corona outbreak. China has tried to use access to its huge markets as leverage in its campaign to meet its political ends. It has used the tactic regularly in political disputes over the past decade. Last year Beijing blocked import of canola from Canada to force it to release a Huawei executive. It blocked imports of Philippine bananas in 2012 in dispute over territory in South China Sea. In 2010, it blocked imports of Norwegian salmon and cancelled trade talks after Liu Xiaobo got Noble peace prize. Back home, to take just one example, as China takes an aggressive posture against India in Ladakh, Chinese monopoly over rare earths may become a major cause of concern for India. China is the largest producer of rare earth materials, a group of 17 elements vital to consumers goods, aviation, clean-tech, healthcare, defense etc. China controls 40 percent of their global output. In 2019, China produced 132,000 metric tons of these elements whereas India produced only 3,000 tons. If China restricts/blocks exports to India then Indian technology, defense system, and many other activities are likely to Suffer.

More recently, post Pandemic India Inc has realized the glaring need to reduce dependence on a single source for raw material and intermediates. Compa-



India maintains an asymmetric relationship with China; jingoism will not help. We need a well crafted strategy to meet the challenge head on.

K.K. Srivastava



India's Trade with China: Macro perspective (\$ MN)				
	2015-16	2016-17	2017-18	2018-19
Exports	9011	10172	13334	16752
% change	-25	13	31	26
Import	61708	61283	76381	70320
% change	2	-1	25	-8
Total Trade	70719	71455	89714	87072
% change	-2	1	25	-3

panies are fishing for alternative supply chains or going it alone. Many Indian companies have started planning to reduce exposure to Chinese imports and/or have started sourcing from local vendors. The localization at several Indian automakers has already reached upto 90 percent. Likewise efforts are on by the domestic consumer durables sector which is currently excessively dependent on China – 80 percent of air-conditioner compressor demand, 95 percent of motor requirement for washing machines to look elsewhere.

Indeed, some analysts have become overambitious and are talking in terms of replacing China at world trade mart. According to Crisil, potentially, sectors that are highly dependent on imports from China can benefit Indian domestic manufacturers with import volumes reducing, such as ceramic, plastics, etc. Moreover, steel, paper, leather and textile

readymade garments etc. have a window of opportunity to expand exports, as China's own exports from these sectors are likely to decline. But the somber fact is the India does not have the scale or size to take material advantage of such opportunities. Actually, sectors like aluminium in India will indeed be unable to meet the void created by Chinese problems as these industries are either running at peak utilization or are facing capability issues.

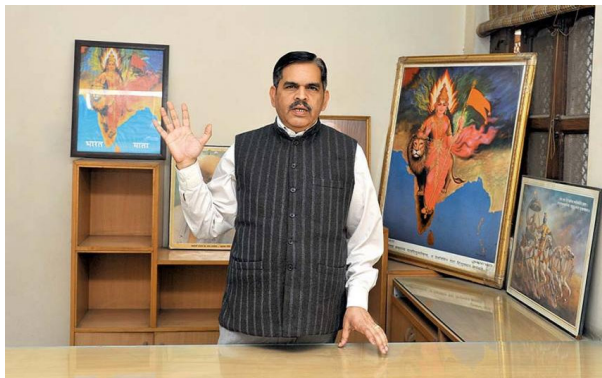
Only this month India has re-adopted the vision of self reliant India; this envisages domestic industry catering to global value chains. While it is laudable in theory, it is an unachievable sans deep reforms needed to make the economy competitive. Unless, India's competitiveness improves, notwithstanding recently improving ease of doing business ranking at 68, we cannot become a crucial link in global supply chains. We need

to begin by overhauling the land, labor, and liquidity markets. Longer term perspective needs to be taken by removing road blocks created by fossilized bureaucracy. Then, India needs to build/invest in human capital to move up the value chain. More specifically, to counterbalance the pressure from dragon, a systemic approach must be adopted. Unfortunately, the demand from Chinese products is inelastic; raising tariff barriers would not reduce demand, that will only raise input costs for Indian manufacturers. The solution, instead, lies in attacking the issue along many fronts. On one hand the structure of India's trading relationship with China needs to change, while on the other, domestic manufacturing of competitive kind needs a boost. Currently India is not in a position to use economic and trade measures, not until it takes concrete steps in reducing critical dependence on China (such as in areas like active pharma ingredients, solar panels, rare earths, etc.). We need to narrow the asymmetry with China. For this a four step approach is suggested. First, we need to find out where lie our vulnerabilities vis-à-vis China. Second, then India should build self sufficiency and seek alternative sources of supply in these verticals/sectors. Third, it should actively promote-both through carrot and stick policy – make in India program. And, finally, we need to grow at 8-10 percent per annum to gain enough economic heft so as to bridge the economic gap between us and our biggest rival, China.

Dreaming without direction is a sure recipe for a precipitous fall into an abyss. Let us drive with our eyes open. □□

Indo-Chinese trade: Micro perspective (cy'19)			
(Top 5 items)			
Import from China	% Import from China	Exports to China	% Export to China
Electrical machinery	34	Gems and jewellery	36
Nuclear reactor & machinery	18	Mineral and Ores	15
Organic Chemicals	10	Organic Chemicals	11
Gems and Jewellery	6	Sea food	5
Iron and steel	4	Electrical machinery	4
<i>Total imports from China: 86.2 billion dollar (18 percent total imports)</i>			
<i>Total export to China: 29.5 billion dollar (9 percent of Indian exports)</i>			

‘Vocal-For-Local Will Stop Unfair Chinese Dumping Of Goods’



Swadeshi Jagran Manch (SJM) is happy over Prime Minister Narendra Modi's call for an Atmanirbhar Bharat as part of the post-pandemic economic revival. SJM national co-convenor Ashwani Mahajan tells Bhavna Vij-Aurora that it is a vindication of the organisation's 30-year-long struggle, and it is time to repose trust in indigenous talent, resources and knowledge.

Prime Minister Narendra Modi announced the Rs 20 lakh crore COVID-19 package and called for self-reliance or 'Atmanirbhar Bharat Abhiyan'. Are you happy with the move?

The Prime Minister has echoed what the Swadeshi Jagran Manch has been saying over the past 30 years. It is a vindication of our long struggle to see India economically independent and self-reliant. We are supporting the government completely in this endeavour and launched a pan-India Swadeshi Swavlamban Abhiyan (self-reliance campaign) from May 19 to spread awareness.

How does your campaign dovetail with the government's self-reliance call?

We are drawing a comprehensive plan to involve people from all walks of life, including workers, farmers, small-scale entrepreneurs, academicians, technocrats, industry and trade leaders, to spread awareness and promote swadeshi or local products. We will also distribute lists of such products. This is the time for handholding of local, small-scale manufacturers, arti-

sans and small businesses. District-level committees will be constituted involving people from industry and trade activists for this purpose.

There is still some ambiguity about what defines 'local' in context of swadeshi. Does it mean products manufactured by Indians within the country? Or will it include products made in India by MNCs?

When you say local, it is the narrowest form of swadeshi. In addition to goods made by Indian manufacturers, it would also encompass companies with foreign equity but where Indian equity is more than 51 per cent.

There is hardly any case for ambiguity. Local means a product used at the local level, produced by our indigenous industry—small, medium or cottage industry. It also includes GIs (Geographical Indications) like Kancheepuram silk, Moradabad metal craft, Firozabad glass and Blue pottery of Jaipur. It also means decentralised production model and use of domestic resources and talent.

You believe that the local indigenous industries need a push?

It's unfortunate that policy makers in the past never reposed trust in indigenous talent, resources and knowledge. There was over-emphasis on public sector and later on foreign capital and MNCs. PM Modi's call of 'vocal for local' is a pleasant departure from the existing policy based on globalisation and liberalisation, especially foreign capital dependent model of development.

It is time to revive those local industries that were taken for granted in the era of globalisation. It is also time to usher in economic policies that produce welfare, sustainable incomes, help job creation and, all in all, put faith in the people.

There are more than 700 MSME clusters in the country with a long and prosperous history of industrial development. Many of these clusters lost their sheen due to unfair competition from China and un-

fair import policies. They have to be supported and strengthened by all means so that they not only create employment opportunities but also produce high-quality products in the most economical cost. More such industrial clusters would be identified at the district level all over the country for ushering in future growth in manufacturing.

Do you think the coronavirus outbreak has nudged the country towards swadeshi?

There is definitely a context here. Coronavirus has already accelerated the collapse of the existing model of globalisation, with lessons in self-reliance. Two weeks before the Prime Minister talked about it in his address, sarsanghchalak ji (RSS chief Mohan Bhagwat) had called for national reconstruction through swadeshi and self-reliance. He had also talked about the model based on decentralisation, using indigenous talent, giving employment to our youth.

It can also be called 'sanatan', invoking the philosophy of integral humanism as put forth by Deendayal Upadhyaya and later by Dattopant Thengadi. We are seeing its adoption in a new context.

There is a fear among some sections that the emphasis on local may make India isolationist?

This is not isolation. We are not breaking relations with other countries. We are moving towards fair trade. China has been dumping goods in our country since years, killing almost all our manufacturing industry. The government has risen to the occasion and there has been a conscious effort to ban Chinese goods. Even Piyush Goyal (minister of commerce and industry) had earlier said at a meeting with us that we are proud to be swadeshi. Protection of our people and industry against unfair trade is not a crime. There is no logic in blindly importing in the name of free trade. Protectionism is seen as a dirty word, with negative connotations, in the past three decades. It is not a crime. The government, for the first time, in February 2018, raised tariff to protect our industry. The trade deficit with China had come down from \$63 billion in 2017-18 to \$53 billion in 2018-19. It has come down further.

Also, to make self-reliance work, the government needs to do major structural changes. Most industries are working below capacity. Jobs have to be created. India has so much potential. If we can launch 104 satellites in a single rocket into space, why can't we

manufacture computer parts that we import from China.

Do you think that in the post-lockdown world, India has an opportunity to enhance its economic might at the cost of China?

This thought is being echoed everywhere. The world over countries are realising that self-reliance, or rather self-sufficiency, is the best policy. China is going to be the biggest loser, losing out on various counts. One, on demand, as it is bound to face cancellation of orders. Second, by relocation of various MNCs from their soil. And last, it is going to lose infra projects in over 65 countries that were part of China's Belt and Road Initiative.

What is your view on privatisation of PSUs in non-strategic sectors that the government has announced? Your sister organisation, the Bharatiya Mazdoor Sangh (BMS), has opposed it.

We have always been against privatisation, especially the strategic route to disinvestment of PSUs that was undertaken under the Vajpayee government. We are also against disinvestment of BPCL and Air India as planned by this government. These issues must be resolved. We have seen the resolution of BMS, and are in the process of making up our mind on supporting it.

Lastly, what do you have to say about thousands of migrants walking home in misery? Do you think that the government has failed them?

I don't think, the government has failed them. The government has made all efforts in taking them home. Even the states have made efforts. Civil society—the RSS and many NGOs—is also working hard.

At this point, I want to ask all policy-makers and globalisation apologists—that if globalisation was a success—why are the majority of labourers still in this shape? Over 37 per cent children between one and five years are still stunted. The average wages, from 1991 to 2016-17, had gone up by seven per cent, while inflation went up by 6.5 per cent, barely leaving any surplus for the people.

They were in the same miserable position 50 years ago. It is all because of economic policies of the Congress. Those who are responsible are now shedding crocodile tears at their plight. □□

<https://www.outlookindia.com/magazine/story/business-news-vocal-for-local-will-stop-unfair-chinese-dumping-of-goods/303240>

Self-reliance; third edition

Though the phrase 'self-reliance' does not appear anywhere in the First Five-Year Plan (1951-56), it is commonplace that the very idea of planned development, with the public sector occupying the commanding heights of the economy, implied that post-colonial India would seek to pursue self-reliant economic development. When Prime Minister Narendra Modi put forward his version of self-reliance, with a view to build an Atma Nirbhar Bharat, many thought he was saying something new. He was, in fact, enunciating a third variant of a concept that has its roots in India's freedom struggle.

Between Jawaharlal Nehru's version of self-reliance, as it evolved through the first three five-year plans and eventually turned into import-substituting industrialisation, and Modi's recent articulation of it, there is an intermediate second variant that Prime Minister P.V. Narasimha Rao articulated in his famous presidential address to the Tirupati session of the All India Congress Committee in April 1992. Each variant captures the reality of a changing India in a changing world.

Rejecting criticism that the economic liberalisation and reform policies unveiled between June 1991 and March 1992 were a departure from Nehruvian self-reliance, Rao told the AICC that, "a country of India's size has to be self-reliant", but the concept of self-reliance has to evolve in step with the country's own development and the changing global context. "While we are redefining self-reliance," Rao assured the AICC, "we are not abandoning the basic principle."



Prime Minister Narendra Modi's version of self-reliance, with a view to build an Atma Nirbhar Bharat has its historical roots in India's freedom struggle.
Sanjaya Baru



Enunciating his own version of atmanirbharata relevant for an India at the turn of the century Rao said, "The very level of development we have reached has made us independent of the world economy in some respects, but more dependent on it in others. This is an important aspect of the complexity of modern development."

He then went on to define self-reliance for the world of the 1990s, how it was different from the self-reliance of the 1950s. Given the context of 1991-92, when India was dealing with a mounting internal and external debt and repayments crisis, Rao summed up, "One way of describing self-reliance would be to say that we should be indebted only to the extent we have capacity to repay."

Rao's address to the 1992 AICC is, without doubt, the best post-Nehruvian statement on economic policy in the past three decades. Its detailed enunciation of India's economic priorities and policies and the spelling out of a new theory of a mixed economy and of self-reliance, relevant to a more globally integrated and self-confident India deserves wide reading even today. It is a pity that in its pusillanimous sycophancy towards Sonia Gandhi, the Congress does not make available Rao's historic AICC address on its website. Those interested can read the full text reprinted as an appendix to my book 1991: How Narasimha Rao Made History (2016).

If Rao re-defined the Nehruvian idea of self-reliance for the 1990s, Modi has tried to do so for an India of the 2020s that would have to deal with a very different post-Covid global context. So, rather than suggest that Modi has

expounded something new, merely because he has used a long Hindi word, it would be more appropriate to recognise that he, too, is re-defining an idea that has been intrinsic to India's freedom struggle and post-Independence development.

Like Rao, Modi too has taken care not to confuse self-reliance with inward-oriented autarky. Re-

ferring to the oft-quoted concept of Vasudhaiva Kutumbakam (whole world is one family), Modi clarified, "India does not advocate self-centric arrangements when it comes to self-reliance. India's self-reliance is ingrained in the happiness, cooperation and peace of the world." Clearly, the appeal of some mantras endures. □□

Baru is an economist and a writer. He was adviser to former prime minister Manmohan Singh.

[Continued from page no. 7]

No day dreaming, Self-Reliant India...

It is being said that our capacity in active pharmaceutical ingredients (API) has been drastically eroded, so we will have to import them from China. It is true that due to dumping of Chinese goods and apathy of the governments for long, India's industries were destroyed, but today we have also proved our potential in the time of pandemic. Unprecedented increase in production of PPE kits, face masks, testing kits, ventilators etc is a living example of the same. It should not be forgotten that we sent Mangalyaan to Mars, even before China; space program PSLV, software, missile programs etc. all reflect India's capabilities. APIs which are frequently cited as example; we should not forget that 90% of all APIs that come from China today, used to be made in the country. Our API industry was affected by unequal competition due to China's dumping. Significantly, a Rs 3000 crore package has already been announced by the government to revive the API industry. On the other hand, a package of 42 thousand crore rupees is also being brought for electron-

ics. We should not forget that even partial boycott by the people of the country and imposition of anti-dumping duties by the government, increase in import tariffs and non-tariff barriers in the form of standards, imports from China, which had been steadily increasing, have come down considerably. Between 2017-18 and 2018-19, our steel imports from China decreased by 18%; organic chemicals' imports also decreased by 18%, import of inorganic chemicals came down by whopping 38% and in electronics imports declined by 17%. If we see overall trade deficit with China, the same has been declining since 2017-18. It was \$63 billion in 2017-18, came down to \$53.6 billion in 2018-19 and now \$48.6 billion in 2019-20. These figures nullify the argument of impossibility of self-reliance. This is the result of partial boycott by people and some measures by the government in the past. If the appeal to boycott Chinese goods gets spread, then in the coming years there can be further significant decrease in imports from China and our self-reliance efforts would get a boost. □□

Covid ignites age-old labour crisis

The long march of crores might have become a political issue, but in Indian context there is nothing new to it except that Covid 19 has brought to fore a crisis simmering for long. The erstwhile Planning Commission had discussed the issue even in 2011 and the UN and other organisations have been highlighting it intermittently.

The issue of internal displacement (IDP) never flared up the way it has now but even in 1950s as the nascent development process of building dams be it the Bhakra or various Damodar Valley Projects caused displacements of tribals and other people in various parts of the country. The political dispensation treated it as non-issue. In the recent past, the Tehri and Narmada dams also displaced large numbers. Many, including former Lt Governor of Delhi, averred that people had to pay cost for a “better life”.

In 1953, DVC acquired huge tracts of land, mostly from tribal people in Dhanbad, Jamtara in Jharkhand; Purulia and Burdwan in West Bengal displacing 70,000 people and depriving them of land and livelihood. Reports state that only 350 such persons received compensation and jobs, others were given nothing. So the agitation for “justice” continues and had taken volatile shape in 2012.

The movie Hum Hindustani in 1960 with a young actor Sunil Dutt portrayed a new India for writing a new “kahani”. Alas, that was the beginning possibly of abysmal deprivation that the nation is groping with today. No wonder the largest number of migrants in the long march belong to Jharkhand, Bihar and West Bengal. The state of UP is not behind.

The United Nations, in 2016, notes that 2.4 million are internally displaced in this country. The Indian Social Institute says during the same period that the development induced IDPs are 21.3 million – 16.4 million due to dams, 2.55 million due to mining activities, 1.25 million because of industrial development and 60,000 by wildlife sanctuaries or national parks.

These may be huge numbers but it does not explain how at least 4 crore started



*Atmanirbharata of
the poor paves
path to progress.*
Shivaji Sarkar



trekking across the nation no sooner lockdown was imposed on March 24 bringing the nation's productivity to a grinding halt. The railways between May 1 and 6 ferry one lakh migrants to their homes by 115 Shramik Specials to Bihar, UP, Rajasthan and Kerala. Trains were inefficiently run and completing 40 hour journeys in four days in some cases. At least seven persons lost their lives in train and over 400 dies due to fatigue, crushed under rail wheels or road accidents.

The tragedy is grim. Pt Jawaharlal Nehru's dream of "enshrining the economy as that part of the nation which stands for the whole" made newspaper banner headlines as Panchet dam was opened in December, 1959. Few could then believe that it may not have been the appropriate prescription.

At least President Rajendra Prasad had doubts, Statesman reports on December 28, 1959, as he addressed the IIT, Kharagpur convocation. Prasad warned against neglecting the call of duty. Planning Commission former secretary NC Saxena in 1999 is quoted by World Commission on Dams that about 5 crore (50 million) were displaced by big projects in 50 years of independence.

During Janata Party rule in 1977 a labour ministry committee suggested regulating inter-state migrant workers' employment as they were exploited and paid wages lower than agreed upon.

The miseries of these people were not unknown but nobody cared across the political spectrum. Across the political spectrum whoever anywhere in power sees the reverse migration back to the emotional security of their village as a bid to malign their regimes in Raj-

The poor have to be self-reliant. It calls for a massive policy shake-up, integration of the poor in deciding future course, reorienting the economy, cut in taxes and overall lifestyle improvement.

asthan, Punjab, Maharashtra, UP, Andhra, Karnataka or anywhere.

Strangely enough the middle class precariously perched on the edge of the poverty line has been most critical of this cross-country trek of the labourers in extreme summer with the bare minimum clothing and more than half of them with chappals or even bare foot. It reflects the apathy of the nation's policy planners, rulers and their elected representatives. It reminds many of the people like Sundar Lal Bahuguna or Medha Patkar or Aruna Roy who tried to raise their feeble voice to highlight the plight of the neglected millions. The nation certainly has not come out with glory for making supposed economic strides while pushing down 81 crore officially stated poor in the wake of lockdown.

A newly born nation in 1950s apparently had no vision as the poor multiplied, moved out of villages to eke out a living in shanties of metros amid promises of utopian progress like fertilizers, self-sufficiency in steel and rising needs of engineers in second or third five year plans in official reports through 1950s and 1960.

Displacement and deprivation has been constant. Policy bodies like Planning Commission were not unaware. The budget documents do not reveal much for solving the burgeoning problem. Displacement has become the norm for any public projects ostensibly for prosperity but actually for depriving those whose

lands are acquired. It is stressing and straining millions of lives because for most, it meant loss of home and livelihood. Prof AM Khusro was concerned about the rising number of poor in absolute, not percentage, terms in 1999.

The present reverse migration has disturbed comfort levels of many – the industry, builders, diamond-cutters and all businesses. Political parties may show apparent calm but they are shaken. They are yet to realise the magnitude of the crisis. Most of the labourers jolted by treatments meted out to them in different states by their employers, police and administration are in quandary. For the next six months they might not go back. Yes, the conflicts in the calm rural India may also rise.

The Supreme Court concern for their food and travel is a small recognition of the problem despite solicitor general Tushar Mehta telling the judges "labour exodus was due to local instigation".

The governments everywhere abdicated their duties for decades. The various free ration and other benefits announced now would neither be easy to sustain nor is it a solution. The poor have to be self-reliant. It calls for a massive policy shake-up, integration of the poor in deciding future course, reorienting the economy, cut in taxes and overall lifestyle improvement. 'Atmanirbharata' will not be that easy if still the nation continues to ignore 60 percent of the population. □□

It's time to roll back FDI in seed sector

Self-dependence, self-reliance and buy Swadeshi were the three main takeaways from Prime Minister Narendra Modi's recent address on the exit strategy. Many challenges lie ahead, especially in achieving this goal in the agriculture sector. One is reminded of the notorious 'realpolitker' Henry Kissinger, "If you control the oil, you control the country; if you control food, you control the population."

With much of the Indian seed and plant genetic resource (PGR) in foreign control through 100 per cent FDI, Indian food and seed sovereignty may be at risk.

Seed companies across the world work with strategically valuable PGR protected under the Biodiversity Act. Of course, each country has its own laws, empowered by various global treaties. Sometimes these rules may clash and leave grey zones. For example, India doesn't allow patents on seeds, while the US allows it. This minor difference has become the root cause of an IPR nightmare for Indian farmers and biodiversity.

Learning from others' mistakes, progressive nations have pushed for strategic local ownership in the seed sector to protect their biodiversity. China, Thailand and Indonesia have not allowed majority control with foreign ownership in the seed sector so as to safeguard their national interest and food security. Ten steps ahead of the game, Chinese companies are already working in the sub-continent and the world to mine precious PGR and take it back to their gene banks.

In many countries, 100 per cent foreign ownership is allowed only for research and development (R&D) purposes, whereas seed production and distribution activity is barred for companies with majority foreign ownership. China has even prohibited the export of parent lines of a hybrid. Indonesia, which allowed 100 per cent foreign ownership in seed companies initially, resiled the decision and enacted a new legislation three years ago, mandating all seed compa-



Foreign ownership of Indian seed and plant genetic resource risks our food and seed security.
Indra Shekhar Singh



nies to reduce foreign ownership to under 50 per cent.

In these countries, the products of the research of such foreign-owned companies is distributed to the farmers through their JV companies in which citizens of the country have a controlling stake of above 51 per cent. This was the situation in India till 2006 as Foreign Investment (FI) in the seed sector was only available through technology collaborations with the specific approval of the Centre, whereas Foreign Direct Investment (FDI) was not allowed either under the automatic or approval route. Even with this condition, many leading companies in the field, including Pioneer, Syngenta and Monsanto (then Cargill) established their operations in India at that time.

The Govt. of India allowed 100 per cent FDI under the automatic route for “development of seeds under controlled conditions” in 2006 through Press Note No. 4. In 2011, in the consolidated policy, it was modified to “development and production of seeds and planting material” whereas the controlled condition was removed. As a result of this policy change, the existing JV companies of Pioneer (PHI Spic), Monsanto (Parry Monsanto) etc., have become 100 per cent foreign-owned, by taking over the stake of the Indian ownership. This has also resulted in many take-overs of successful Indian seed companies since then.

A plain reading of the above leads to the following conclusions.

A 100 per cent FDI was allowed only for R&D activities (i.e. development of seeds under controlled conditions) till 2011. There appears to be no clarity and a clear background about how 100 per

***What is ideal for India?
FDI, like in other Asian countries, may be restricted up to 49 per cent, with controlling stake in seed production companies remaining with Indian citizens.***

cent FDI was suddenly allowed under the automatic route in the seed sector from 2006. This needs to be verified in the files of the Ministry of Commerce (DIPP) and the Ministry of Agriculture.

In spite of the relaxation allowing 100 FDI under the automatic route, FDI inflows into the seed sector are estimated to be \$500 million (about Rs 3,000 crore), which is not significant compared to the total FDI flow into the country.

What is ideal for India?

FDI, like in other Asian countries, may be restricted up to 49 per cent, with controlling stake in seed production companies remaining with Indian citizens. Research and development can be allowed with 100 per cent foreign ownership as long as they don't enter into seed production and distribution either directly or indirectly.

GM traits shall be approved for commercial release on condition that the technology developer follows the provisions of the PPV-FR Act. It can be argued that this amounts to going back on the Government's declared policy. However, it can be justified on the following grounds.

Seed Sector is vital for agriculture and strategic to the nation's food security and independence.

FDI is still permitted for research and development with 100 per cent foreign ownership.

Technology transfer from R&D to the seed production and distribution companies will be encouraged, resulting in a robust seed sector in India, which is essential for a strong agriculture sector, farmer and consumer prosperity.

The above suggestions would help in injecting the required technological improvements in Indian agriculture and the simultaneous indigenisation of such technologies through companies taking up production and distribution.

Additionally, parent lines of hybrids shall not be allowed to be shipped outside the country. Only hybrid seeds will be exported, but not the parent lines in China.

All the major multinational seed companies operating in India also operate in Thailand, China and Indonesia despite those countries not allowing them 100 per cent owned subsidiaries. For, by allowing 100 per cent subsidiaries, India is sacrificing its food security for pennies, while losing many million pounds. It's a paradox that if an Indian company starts operations in China or Indonesia, they can own less than 49 per cent, whereas companies from China and Thailand already operate in India with 100 per cent subsidiaries. The Seed Division of DACFW of the Ministry of Agriculture can conduct a study to ascertain the facts and prepare a national strategy. As India moves towards indigenisation, it is crucial that we reform our seed sector and make it completely Indian. □□

(The author is Director - Policy and Outreach, National Seed Association of India)

Calling private players

In May 14, finance minister Nirmala Sitharaman announced a Rs 90,000 crore liquidity provisioning for distribution companies (discoms) to clear their dues with power generation companies (Rs 88,495 crore as of March 2020). The power ministry has unveiled two big reforms, the Atal Distribution System Improvement Yojana (ADITYA) and the New Tariff Policy (NTP). On May 16, Sitharaman announced the NTP, along with provisions to increase the pace of mining of coal and minerals, including the auction of 50 coal blocks to bring private players into the sector.

The Reforms

The NTP will make regulators more accountable and require them to follow the central government's tariff policy. This includes a progressive reduction in cross-subsidies and reliable power supplies.

The ADITYA scheme will nudge states with AT&C (aggregate technical and commercial) power losses over 18 per cent, electricity lost to pilferage, to bring in private firms for distribution. Discoms in eight Union territories will be privatised. The amendment to the Electricity Act, 2003, will segregate content and carrier, bringing in more discoms.

Liquidity of Rs 90,000 crore will be provided by the Power Finance Corporation to discoms to clear their dues with power generation companies (subject to commitments to improve operations).

Fifty coal blocks will be auctioned for commercial mining on a revenue-sharing model with independence in pricing and marketing. Rs 50,000 crore is being set aside for transport infrastructure like railway tracks and rakes.

The distinction between captive and non-captive mines will be removed to allow the transfer of mining leases and the sale of surplus unused materials.



The government's new announcements will incentivise greater private participation in the power and mining sectors.

Anilesh S. Mahajan



A composite regime giving licences for exploration, mining and production for 500 mining blocks will be rolled out.

A joint auction will be done for bauxite and coal blocks to make aluminum prices competitive in the global markets.

The Rationale

After two decades of power reforms and three big bailout packages, discoms remain the weakest link. In 2015, UDAY (Ujwal Discom Assurance Yojana) allowed states to shift discom debt onto state government balance sheets (with a commitment to improve efficiency). The cumulative discom debt was over Rs 4.5 lakh crore. By 2018, AT&C losses and discom debt had been reduced, but by 2019, the power-for-all chase, along with no real tariff alteration in a poll year, brought losses back

to pre-UDAY levels.

Discoms are yet to achieve 100 per cent metering of connections and bill realisation. Most are hobbled by skewed cost-price ratios and the inefficient subsidy system. This has created a push for private players in distribution.

India imports coal despite having the third-largest availability of coal. In other mine-rals, India exports raw materials and imports finished products. This defeats self-reliance.

The Scope

Discoms are in bad shape, as the cumulative debt, pending bills and AT&C losses show. The strict NTP will make discoms and regulators ensure tariff rationalisation sans political pressure.

India imported 243 MT of coal in 2019-20. A large chunk of these imports can be replaced by

domestic production.

India still employs labour-intensive technology for mining. Commercial mining will allow for investment in better technology to improve efficiency.

The Gap

Previous reforms failed as discoms missed targets. It remains to be seen if the new reform will be successful. That access to electricity is used as a poll sop complicates tariff rationalisation. Regulators are appointed by the state government, generally, loyal bureaucrats. This does not help efficiency.

In 2018, the Centre cleared the commercial mining proposal, but pressure by unions and states delayed the process.

Many mines are in Maoist hotspots. The allocation of mining licences could lead to a spike in violence. □□

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Minimizing the cost of Lockdown

Brazil has adopted the approach of facing Corona head-on. They have accepted the fact of large numbers of people dying and, hopefully, the remaining developing immunity. No wonder, at the time of writing, the numbers of cases in Brazil were 1464 per million people against 58 for China and 86 per million for India. These cases impose a huge economic cost. Economists used the concept of “Years Life Lost” to value such deaths. The amount of money a person is willing to pay for living an additional year multiplied by the number of years lost becomes the economic value lost because of a death. Brazil has incurred an economic huge cost—and counting—because of these deaths. The emotional cost is also huge.

China, on the other hand, has adopted contact tracing to successfully control the spread of Corona Virus. All persons venturing on the street have to have an app on their phones that tells the Government of their movements. They have to identify themselves at the door of a restaurant. The sensor checks their temperature and gives green signal to enter. All persons having come in the contact of a person found to be Corona-positive can be traced through the app and quarantined. The economic cost is less because economic activities can resume with full speed. However, successful implementation of this approach requires a proactive government machinery to trace the contacts and to quarantine them. The situation can become much worse if quarantine is not strictly implemented. Another negative is that leakage of such data can be devastating. For example, a thief can know when you are not in the house. The Government can also track its political opponents. Yet another problem is that Chinese culture considers the King as beneficent and the king reciprocates. Indian culture considers the King as oftentimes perverse and expects the “Brahmin” to restrain him. The Brahmins,



The only option available to us is to implement the Kerala model of social distancing combined with raising immunity.

Dr. Bharat Jhunjhunwala



alas! have abandoned their this responsibility. As a result the Indian King is bereft of any control and can easily go haywire. Surveillance in such situation is a sure recipe for disaster. I am not in favour of this approach for these reasons.

New Zealand and Kerala in India have successfully implemented social distancing. However, this has imposed a huge economic cost. People have been left without work for long periods. Economy has come to a standstill. Bigger danger is that infections can come in a second wave once the economy is opened.

The Brazil model is not suitable for us because of the emotional- and economic costs of large numbers of deaths; and the China model is not suitable because we value our political freedoms. The only option available to us is to implement the Kerala model of social distancing combined with raising immunity to prevent a second wave of infections. The way forward is to open up all productive activities—industries, construction and even schools where a specific set of persons are coming in contact with each other—and ensure isolation of this set with rest of the society. The Government can appoint “Corona Inspectors” and ask the establishments them to pay for their services. This can be initially allowed for in-situ works. The establishments can be required to establish barracks for the stay of their workers. Schools can be asked to go residential. The establishments can then be “locked down” in case a positive case is found. In this way we can start large numbers of productive activities and also ensure quick isolation in case of an infection. We had

58 lakh government teachers at the primary level in and 21 lakh at secondary level in 2011. The Government can close two-thirds of the schools having less enrollment and shift those students to larger residential schools. That will release about one-half or, say, 40 lakh teachers. Those released can be made Corona Inspectors and their services can be “sold” to the establishments wanting to restart. This will reduce the financial burden on the government. Even otherwise they can be given this duty. Eight persons have been quarantined in my village while four Government teachers are getting salary-without-work. The Government can easily ask these teachers to do 8-hour shifts to ensure the success of the quarantine. There will be no additional cost.

Similarly, the numbers of operative railway stations and trains can be reduced by two-thirds. The total numbers of passenger coaches run by the railways was 62,000 in 2016. The railways can reduce these to about 21,000. Each coach will require, say, three Corona Inspectors in 24 hours or total 63,000 Inspectors. The number of employees of the Indian Railways was 12.3 lakhs in 2019. About 20 percent or 2 lakhs can easily be released by the reducing the number of stations and trains. These can be appointed as Corona Inspectors to ensure social distancing in every coach. The number of busses can similarly be reduced and the released drivers and conductors can be made Corona Inspectors on those that are running.

Needless to say, cost of production in our factories will increase due to the arrangement of the barracks for workers, the fare

of trains and busses will increase due to lower occupancy due to social distancing. But, and this is important, the economy will resume at full pace.

The second step that must be considered is to implement our traditional wisdom in tackling the Corona crisis. We have used turmeric, basil, neem and ginger since ages to increase the immunity of our people. The Government of Uttarakhand sent a bottle of sanitizer to my home—free of cost. I heartily congratulate the Government for this. But this is only symptomatic treatment. The Union Government can send packets containing turmeric and other immunity-increasing material every month to all the households in the country free of cost. The supply of these materials will create jobs and economic activity. The Government can also include a bottle of Ganga Water in the package. The National Environment Engineering Institute Nagpur has found that waters of Upper Ganga have an “unparalleled” numbers of beneficial viruses called bacteriophages. These can prevent the entry of the disease-creating Corona Virus in the lungs. Other studies show that inhalation or topical application on skin can lead to the beneficial bacteriophages entering the human body. Unfortunately, our medical establishment is driven by big pharmaceutical companies that do not like cheap-, easily accessible and harmless remedies for diseases. They want the Government to put its money in ventilators that have to be produced by big companies and plasma therapy that can be subsequently sold by big Pharma. □□

Formerly Professor of Economics at IIM Bengaluru

Collapse of world economy

As the highly contagious COVID-19 torments the nation, some “eminent” economists advised the Centre to nationalise all private assets of above-poverty-line citizens (cash, real estate, property and bonds among others) to fund their ideas. One doesn’t know if this negates that other great panacea for all economic ills — privatisation of public sector assets — but that’s another story.

On May 22, former Planning Commission member Abhijit Sen, former Chief Economic Advisor Deepak Nayyar, R Nagaraj of the Indira Gandhi Institute of Development Research, economists Pranab Bardhan, Jean Drèze and others urged the Centre to provide free care for all COVID-19 patients, something done in Government hospitals. Yet this mundane advice was welcomed by the usual bevy of “public intellectuals.” As the only novelty was the seizure of private assets, one wonders if this was a “signal” to foreign companies not to invest in India or part of a more chilling agenda of demolishing the middle class, even as the wizards batten off Western patronage. After a brief excitement, the revolutionary idea was tamely withdrawn (May 24).

In Russia, analysts believe the pandemic is being exploited by global financial centres to change the world economy (and polity) and wipe out industry in several countries, including China, Russia, India and even Europe. The aim is to concentrate power in a new oligarchy and sharply reduce world population. Speaking with Business Gazeta, Vitaly Averyanov, conservative philosopher and co-founder of Izborsk Club, said Russian President Vladimir Putin announced political changes on January 15 after receiving information of a conspiracy by heads of several oligarchic clans and members of the Medvedev Government.

A mysterious shooting at the Federal Security Service (FSB) headquarters in Moscow on December 19, 2019, confirms the view that a coup d’état was avert-



The deepening recession in the global economy and intelligence data on new moves by the global financial elite suggest a cardinal shift in international politics is under way.

Sandhya Jain



ed. However, the Central Bank is still under the control of global banking agents, which needs correction; mercifully, the Russian law was decolonised through a Constitutional amendment that asserts the supremacy of national law over international law, making a potential “colour revolution” more difficult.

The Coronavirus pandemic broke amidst this power struggle. The deepening recession in the global economy and intelligence data on new moves by the global financial elite suggest a cardinal shift in international politics is under way. Within Russia, many elitists are shedding their dual citizenship and foreign accounts (handing them to relatives/proxies because the accounts are needed to service foreign real estate). The transnational elite is using COVID-19 to execute a carefully conceived plan X.

By mid-March, many top Russian scientists concluded that the virus is a new version of the common SARS, lack of a vaccine is not lethal and the development of collective immunity is inevitable, a view shared by Western scientists and the World Health Organisation (who). Oddly, 50 to 85 per cent of the victims are asymptomatic. This strange property suggests the artificial origin of the virus: Infection can spread rapidly and affect a relatively narrow target group. Between contagiousness and numerous latent carriers, quarantine or “stay at home” will fail to flatten the curve of severe cases that need intensive care. This was the only rationale for freezing economic activity anywhere with lockdowns.

Oxford epidemiologist Tom Jefferson was the first to point out this disconnect. Stanford University conducted a study in Califor-

nia, which showed that the number of infected people is at least 50 times higher than official figures. Unsurprisingly, attempts to curb infections through quarantine failed but destroyed the industrial economy. As this data was not known in January and February, the quarantine imposed in Wuhan was presented as a solution by the WHO and accepted by most nations; the weightage given to COVID-19 patients caused deep suffering to patients with other chronic ailments.

Only Sweden, Japan, Belarus, and partly the Netherlands, bucked the trend. The deaths from COVID-19, even in the US and Italy, are less than 0.04 per cent of the total population and less than 0.2 per cent of the number of infected. The millions of deaths predicted by epidemiologist Neil Ferguson were gibberish. In fairness, mathematical models can be quite accurate if they are honest but too often they are tailored to certain specifications.

Parallel developments in the world of finance, oil and gold markets suggest that the global hype is a cover for redistributing power. Each week of a frozen economy destroys thousands of enterprises. The goal of this hybrid warfare is de-industrialisation: Pushing people out of the manufacturing economy, population reduction and the final destruction of the middle class.

Predictably, China’s production and sales chains were the first to be hit. The small and medium businesses are the unloved stepsons of neo-liberal authorities; the current crisis could bury them. Estimates say 70 per cent of production will go bankrupt; the service sector has virtually collapsed. This crisis could evolve into a new Great Depression.

Even in the Anglo-Saxon world, only 100 or 200 families of the transnational elite will benefit from this war. But, laments Vitaly Averyanov, Russia’s corrupt elitists see the actors of this hybrid war as their allies (for India, read masters). They want to burn the national economy in the furnace of the crisis, cut all budgets and bankrupt Russia. However, the global marauders have the experience of several centuries of crises and depressions; they have prepared all the escape routes; made advance plans how and in what to convert their profits and increase their power. Russian elitists have no idea of what kind of hole they are digging for themselves by playing second fiddle to the global elite. In India, too, eminent economists don’t understand that their utility ends once the global elite achieves its goals.

In America, the forces unleashed by the hybrid war threaten President Donald Trump’s re-election. Hence, Trump opposes the global financial oligarchy and has denied funds to the WHO that is virtually functioning as a branch of the transnational elite “club.” He supports “collective immunity” and is not waiting for a miracle vaccine to resolve the crisis.

The mainstream global media is projecting Bill Gates as a warrior against the pandemic. The Gates Foundation promotes vaccination, family planning and the spread of GMO crops in backward countries. As realisation dawns in world capitals about the damage done to the economies of nations, throwing millions into almost irretrievable unemployment, the gutted economies must be put back on the rails as quickly as possible. □□

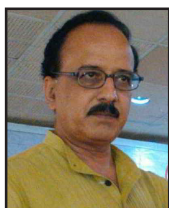
(The author is a senior journalist. Views are personal)

The broken food system

Writing in the *Conservative American*, Austin Frerick, a director at the Open Markets Institute, had said: 'In the 1980s, 37 cents out of every dollar went back to farmer. Today, farmers take home less than 15 cents on every dollar.' Pointing to the increasing concentration of economic power in the hands of a few multinational corporations over the decades to be primarily responsible for the declining farm incomes, he called for fixing the broken food system.

Last week, another article in *Financial Times* asked: 'Is our food system broken? In fact, a Google search for broken food systems comes up with hundreds of articles, reports and studies, pointing to the desperate need to redesign global agriculture, with the primary focus on adopting sustainable practices and making agriculture economically viable. Another search for farm distress, and among the top articles to pop up is from the *Time* magazine: 'They're trying to wipe us off the map'. 'Small American farmers are nearing extinction' screams the headline. The more you read, the more you realise how in the name of free markets and the freedom to sell anywhere, to anyone, small farmers are being pushed off the land.

If after five decades or more of liberalisation of markets, with no stock limits for big retailers, and commodity futures markets giving an indication of the price at the time of planting, Al Davis, a former Nebraska senator and cattle farmer is left to say: 'Farm and ranch families are facing a great extinction. If we lose the rural lifestyle, we have really lost a big part of what made this country great.' Isn't the exuberance being exhibited over the planned liberalising of agriculture markets in India overtly misplaced? After all, if leaving farm prices to markets is the winning formula, isn't it time to explain why American and European agriculture is in distress.



Fair and assured price to farmers is turning out to be the biggest challenge.

Devinder Sharma



Ever since the Uruguay Round negotiations, and after the WTO was formed in 1995, monumental subsidies being paid by the developed countries have remained a contentious issue. Former commerce minister Kamal Nath, who represented India at a number of WTO ministerial conferences, had often said: 'You cannot expect Indian farmers to compete with the US treasury,' referring to the massive subsidies being doled out in the US. Later, Arun Jaitley as commerce minister, too, had echoed the same sentiments at the time of the Cancun ministerial. Even now, developing countries are asking for reopening the hotly debated issue of subsidies.

If agriculture markets are so efficient, how come they failed to prop up US/EU agriculture? The US Department of Agriculture has acknowledged that the real farm incomes have been on the decline since the 1960s. That too, despite heavy subsidy support year after year. This is primarily because 80% of these subsidies go to agri-business companies, and the remaining 20% are cornered by big farmers. An UNCTAD-India study in 2007 had shown that if the green box subsidies (protecting domestic support in agriculture) in the developed countries were to be withdrawn, agricultural exports from the US, EU and Canada would drop by about 40%.

Even 25 years after the WTO came into existence, OECD countries are still providing a huge producer support for agriculture, touching \$246 billion in 2018. Of this, in EU-28 countries, the producer support totals \$110 billion a year, roughly 50% of it being in the form of direct income support. These



Repairing the broken food system therefore would require restructuring the markets with a need to make farming economically viable.

subsidies are expected to further increase in the post-Covid period.

Repairing the broken food system therefore would require restructuring the markets. Whether in the US, Europe or India, where despite the scale, agrarian distress has been worsening, the proposed reforms have to be tailored to the need to first make farming economically viable, thereby restoring the pride in farming. Leaving farmers at the mercy of the markets hasn't worked in the developed countries. Nor has commodity futures trading been of much help. Let's look at the \$103 billion chocolate industry, where the prices of cocoa beans are largely determined by commodity futures. While Africa alone produces about 75% of the cocoa in the world, what percolates down to farmers is relatively insignificant. With hardly 2% revenues coming to cocoa farmers, millions are living in acute poverty.

For several years, dairy farmers in the UK had been protesting at supermarkets, demanding to be paid a fair price that protects them against the volatility in prices. The bigger the retailer, the more is the tendency to dictate prices. In the quest for higher profits, and at the same time ensuring competitive prices to consumers, big retail has

often been known to squeeze on farmers' margins. If big retailers like Sainsbury and Tesco, with the ability to maintain huge stocks, were providing a higher price to farmers, there is no reason why half of all UK farms would end up being in business only by supplementing income from non-farm activities.

Providing a fair and assured price to farmers is turning out to be the biggest challenge. All that has been tried and tested in the developed countries has failed to show any promise. It has only pushed farmers into a severe crisis. Enabling farmers to sell anywhere to get a better price is no reason for excitement, unless farmers can be assured of a better price. Instead of pushing what the agri-business industry needs as marketing reforms, let us develop a system that actually helps farmers become economically viable and atmanirbhar. Developing a food system based on local production, local procurement and local distribution is what India needs.

This is only possible by strengthening the existing networks of regulated APMC markets, and building a robust system of trading where the MSP becomes the model price. □□

A new phase of the fightback

While the OECD countries are reeling under the COVID-19 impact, India is clearly ahead of the curve. This is not merely in terms of the confirmed cases in the country but is also strongly reflected in very low mortality numbers (0.085 deaths per lakh population) compared to other nations (40.4 in the UK and 19.30 in the US). While the first cases were reported in most hotspot countries and India around the same time (last week of January), today, the outbreak is far more manageable in India than in most other countries. It was pragmatic for a resource-poor country to be pre-emptive and declare a national lockdown when the total number of cases were still low at 500. The subsequent growth of the pandemic clearly shows a perceptible decline in the number of cases due to the lockdown. Though stringent, this was much-needed and a timely policy intervention by the government. It is important, however, to appreciate the high and growing opportunity costs that are involved during a lockdown. We must brace ourselves for long-term pandemic management (18 to 24 months) with significant economic impact on our lives.

The immediate costs of the lockdown are borne by the most economically vulnerable people in society. This perhaps was the rationale behind the first round of economic policy interventions announced by the finance minister within a few days of the lockdown. They targeted front-loading of cash transfers through PM-Kisan, support to construction workers, self-help groups, food distribution through the public distribution system, among others. Beyond welfare concerns, there are significant growth concerns that are mounting with every day of eco-



Though stringent lockdown was timely. Now it's time to address ballooning opportunity costs across sectors.

Prof. Shamika Ravi



conomic inactivity in the country. Companies are struggling to honour payroll and maintain their workforce against cancelling orders and declining demand for their goods and services. These in turn will lead to greater delays and defaults in loan repayments, thereby further weakening the fragile banking sector and struggling credit markets.

The Reserve Bank of India stepped in for some timely monetary interventions, however, the longstanding climate of risk aversion within the banking sector will mean that transmission of these monetary interventions is unlikely to be timely or adequate. All eyes are set expectantly in one direction. Historically, when economies are faced with major calamities, governments step in to stabilise the environment and boost confidence within the business community who are the creators of wealth and employment. We have seen this response from all major economies disrupted by COVID-19 over the last several weeks. India will not be an exception to this as the government fine tunes its strategy to support and kickstart our immobilised economy. The opportunity cost of time, however, is ballooning with each passing day. Just like the spread of the virus, we are up against the full force and power of compounding. Mindful policy interventions, when timed well, can cut growing losses and the misfortune of many.

India is a large country and the current crisis keeps reminding us of that reality every day. While we have succeeded in slowing the growth of the virus at the national level, the true gains and pains are at the state and local level. As the

data reveals, currently we have three states that have made remarkable gains and “flattened the curve” of COVID cases. These are Kerala, Haryana and Tamil Nadu where recoveries are growing and active cases are rapidly declining. States like Karnataka and Telangana are improving their recovery rates consistently, despite fluctuations. While every state and local administration has to keep eternal vigil and double down on containment and testing, they have to aggressively improve their contact tracing efforts with the help of their police who are trained in debriefing, call record mapping and have more manpower than public health departments of local administrations.

What should our strategy be? Given the scale and variation in infection control across the country, our national strategy needs to be informed and calibrated. Currently, there are more than 300 districts in the country which have reported zero COVID-19 cases. This can be confirmed quickly with some random testing (we do have the capabilities to conduct these meaningfully) and the lockdown can be lifted effectively immediately. Then there are about 225 districts which have reported less than 10 cases each. With adequate ring fencing at the level of the block where these cases are reported, these districts too can afford to lift their lockdowns. There are, however, approximately 30 districts across the country which have reported large numbers of confirmed cases and are identified as “hotspots”. The lockdown in these places needs to continue with some relaxations for basic trade and essential services. Not surprisingly, these “hotspots” are also important economic cen-

tres of the country. The capacity of the local administration to develop and enforce appropriate strategies of containment, contact tracing and testing, should determine their decisions to ring-fence and isolate blocks while allowing other parts of the district/city to resume economic activity.

Over the last month, India has developed significant capacity to test and treat COVID-19 patients across the country by creating a large number of specialised fever clinics and identifying COVID hospitals across every state. Our disaggregated data analysis, however, suggests that there is no hospital rush of patients with symptoms of acute respiratory ailments like in the US, the UK, and Europe. Given the uncertainty of the virus, we seem prepared for large hospitalisation and care if the need arises. The efforts now must be to further contain the growth of the infection. If the current rate persists, we will reach over a lakh cases within three weeks. That is the power of compounding we are against. Beyond knowledge sharing across states and adopting successful containment strategies from each other, there is a role for the central government in providing “NSG-like” public health support teams to states that need them. On the economy front similarly, the central government’s timely economic package should flatten the curve of exponentially rising opportunity costs across the sectors. Given the relative scale and virulence of the COVID-19 virus in India, the odds seem stacked in favour of a calibrated opening of the economy. □□

The writer is a former member of the Prime Minister's Economic Advisory Council

Making Atmanirbhar Bharata: An Analysis

Recently, the Prime Minister Modi's announced an economic stimulus package of Rs 20 lakh crore and series of big-bang systemic reforms under the name of Atma Nirbhar Abhiyaan, in order to make 'Self Reliant India'. The intended objective of this plan is two-fold.

Firstly is a set of interim measures such as liquidity infusion and direct cash transfers for the poor that will work as shock absorbers for those in acute stress and livelihood challenges under the global Corona outbreak. Remember, the virus, which originated from Wuhan, China has now shaken the very economic foundations of the world. And this has come as a big challenge for severe economic stress and livelihood for poor's across the world.

And secondly, are the long-term reforms to ensure growth-in critical sectors to make them globally competitive and attractive. The very larger purpose is to entail the objectives of making India 'self reliant' as the forces of globalisation have come in question the last decades on the parameters of promoting equality, prosperity and well being of all.

Together, these steps may revive the economic activity, impacted by Corona outbreak globally and create new opportunities for growth in sectors like agriculture, micro, small and medium enterprises (MSMEs), power, coal and mining, defence and aviation, etc. However, there are several challenges that are needed to be addressed, in order to fulfil the vision of this plan, as announced by the Modi government.



In the long run, Atma Nirbhar Bharat Abhiyaan aims to accomplish the unfinished agenda of holistic administrative and key-governing reforms.
Abhishek Pratap Singh



The reforms as announced aims to build on three economic levels of build a self Reliant India.

At the level of Primary Sector, the measures announced for the agricultural and allied sectors are particularly transformative. The reforms to amend ECA, APMC and contract farming etc are very critical towards Self Reliant India objectives. These reforms are steps towards the One Nation One Market objective and

Given the importance of MSMEs sectors for Indian economy, the three-lakh crore economic packages for the secondary sector is another major step that will help this finance-starved sector and thereby provide a kick-start to the dismal state of the economy. This sector in India is necessary for the skilled job promotion and capital utilisation to the benefit of common individuals in India. The huge labour force in India needs strong

for multi-mode access to digital online education provides a uniform learning platform for the whole nation, which shall enable schools and universities to stream courses online without further loss of teaching hours.

The focus of this package and this campaign is keeping in mind the country's economic health emerging out of the lockdown requires a stimulus enhancing demand across the economy.



Given the importance of MSMEs sectors for Indian economy, the three-lakh crore economic packages for the secondary sector is another major step that will help this finance-starved sector and thereby provide a kick-start to the dismal state of the economy.

help India become the food factory of the world. These would finally help in achieving the goal of a self-sustainable rural economy. On the policy level, the MGN-REGA infusion of Rs 40,000 crore may help in alleviating the distress of migrants when they return to their villages. Public expenditure on health will be increased by investing in grass root health institutions and ramping up health and wellness centres in rural and urban areas as well.

MSME sector to promote job creation and better talent utilisation for the young Indians. The MSME sector is the second largest employment-generating sector in India, this step will help to sustain the labour intensive industries and thereby help in leveraging India's comparative advantage.

At the level of tertiary sector, the government has adopted a balanced approach in addressing concerns across sectors. The newly launched PM E-Vidya programme

The rest may have to come from privatisation, taxation, loans and more international aid. In the long run Atma-Nirbhar Abhiyaan also encompasses the unfinished agenda of holistic administrative and key-governing reforms, which may include reforms in bureaucracy, governance and our administrative set up. The post-Covid-19 era may usher in unprecedented opportunities provided the implementation deficit is adequately addressed. □□

Economics of transition from Labour to Migrant Labour



Labour first and then migrant labour next. It's not a chicken-egg problem, and hence not difficult to figure out the sequence. It's the impact of the business model being practised since the days of blind trust on liberalization, globalization and privatization- all three claimed avatars of upliftment working simultaneously across all the sectors and hence changing the path of livelihood of everyone. The repercussions of such trade policies and the resultant business model on economics and on livelihood today should be questioned. It needs to be explored that how much onus lies on these resultant business model of international trade agreements in general, and WTO in particular for the birth of migrant labourers.

There is economics which has converted these labourers into migrant labourers. It's the policy and the politics along with the concept of fortune at the bottom of the pyramid as accuse and co-accuse. The concept of fortune at the bottom of the pyramid has changed the profile of labourers. It also raises the big question "whose fortune"- the fortune of the people living at the bottom of the pyramid or the fortune of the companies serving to the people at the bottom of the pyramid. Initially, this concept advocated about the fortune of both- the server and the served- but unfortunately over a period of time the fortune of the few companies shined but the fortune of those served declined along with the decline in the fortune of the many established domestic companies. This business model based on the concept of high volume and thin margin worked on principles of replication and escalation. But in the process, the people at the bottom of the pyramid suffered most and transited themselves from being a labourer to a migrant labourer. The locally established entrepreneurs transited from manufacturers to traders. The Covid-19 and the mass movement of migrant labourers have forced the media, social scientist, economists and the policymakers to talk about them.

It's visible that the way livelihood is earned has changed over a period of time. Migration is the subject which has earned the maximum attention next only to Covid-19 subject during the recent two months. The labour migration has been the centre of the talk, discussion, debate, policy and telecast across the nation. It engaged social service as well as politics. But at the same time, it has also



The new world of business driven by society at core is arriving.

Alok Singh

shown the brighter part of our nation. The volunteers have filled the void left by the overburdened administration and are fighting the Covid-19 war by spending sleepless nights for more than two months. It's the character of the nation to stand together which has saved the migrant labourers and the needy.

The role of sales of Coke and Pepsi specifically in rural areas is an easy illustration to understand. It has contributed in its own way to this migrant pool of labourers. The supply of bottled cold drinks has killed the business as well as the health of society. Such bottled cold drinks are so costly and so cheap at the same time. It's a costly business to enter as the entry barrier has been made too high. The initial high advertisement and promotion cost has left no domestic brand in the business. It's cheap because no one willingly spends ten rupees on lemon-water but prefers a ten-rupee cold drink bottle. Such a simple product has killed the domestic manufacturer and converted them to a trader and also forced an independent self-employed seller of lemon-water to look for a new business or move to the place where their original lemon-water customers have migrated. Slowly but steadily, everyone has been affected. The labourers have become migrant labourers and others in the society have also adjusted to the new business rules. It is time to analyse the repercussions of labour migration on the economics of other stakeholders in society.

In the city the landlords, whose dependency was on rental income are worried. Those who earned from migrant labourers are already exploring the alternatives

Those who have walked thousands of kilometres to reach their home had a hope; they have covered their hope on foot. At home, there is something which is giving them hope. This hope is the gift of the social fabric and the family system of this nation. This can't be copied by other nation, that's why no such migration happened anywhere in the world during this pandemic.

to support the livelihood of their family. The landlords count how many of their dwelling units are unoccupied and they are sure that the world is not going to be same again- the world of rental income earned from migrant labourers has collapsed. The profile of landlords who rented dwelling unit to migrant labourers includes lack of other skills and education. The labourers who have walked to their home are also not going to come back easily in the near future. Those who have walked thousands of kilometres to reach their home had a hope; they have covered their hope on foot. At home, there is something which is giving them hope. This hope is the gift of the social fabric and the family system of this nation. This can't be copied by other nation, that's why no such migration happened anywhere in the world during this pandemic. It will be foolish to believe that personal trust has been lost, at worst it might have been damaged which can be repaired but will consume its own time. But one thing which is not going to come back again is the days of the business model whose foundation is based on high volume and thin margin. Localization is to replace globalization on a

mass scale. Liberalization is to be redefined. Privatization is to be regulated on transparent frameworks.

There are labour community who had never left their district. They had to plan even to visit their own district headquarters though if it is only 10 to 12 kilometres away from their place of living and earning. Then came a time when the labour community migrated in an organized way. They planned in advance their duration of stay at another place, booked train tickets and whatever savings from their daily earnings they could send home was barely enough to make families back home survive. The labourers who are dependent on agriculture are least affected by the Covid-19 pandemic. The non-agriculture migrant labourers are the most affected. Migration by labourers is not by choice as it's not helping them better life anyway. The migration is by compelling and the necessity for survival as the local non-agriculture economy has collapsed under the burden of multinationals, international trade policies, cheap imports and these are the things which need to be corrected. The new world of business driven by society at core is arriving. Let's welcome it. □□

Guhilas



Bhil chiefs of Mewar specially those of Oghna-Panarwa and Undri who participated in the royal coronation ceremony were important political, administrative and military components of the state of Mewar.
Prof. Nandini Sinha Kapur

The Guhilas formed a state in a predominantly Bhil area. Bhil predominance in the Mewar hills and northeast Gujarat is evident from the tribal grant of village to Guhadatta. In the killing of the Bhil chief, the Bhils point out the ingratitude of the Rajputs. In reality, the killing of the tribal chief signifies the military conquest of the hills by the Guhilas. The fact that the transfer of power from the Bhils to the Guhilas was not smooth is symbolized by the Bhils' revolt and the killing of the Guhila king Nagaditya. But it became essential for the Guhilas to forge an alliance with the local Bhils in their base area of operation, to facilitate territorial integration of the tribal regions, especially those of the core area. The ruling lineage had to turn them into allies as they formed important political components of the state because of their numerical significance. The alliance is reflected in the legendary association of Bappa Rawal with the Bhils of Oghna-Panarwa and Ondri. The Guhila acknowledge the fact that Bhils were the original masters of the land is expressed in the rika ceremony, marking the royal coronations in Mewar. In this ceremony the Bhil chief of Oghna-Panarwa had the honour of drawing of the tika of sovereignty with his own blood on the forehead of the succeeding prince while the chief of Ondri held the salver of spices and sacred grains of rice used in making the tika.

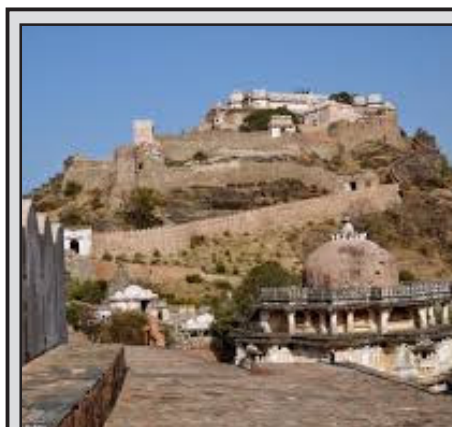
The relationship between the Guhilas and the Bhils of Oghna-Panarwa and the Ondri seems to have reached significant stage in the period between the thirteenth and fifteenth centuries. The latter part of the period seems to have coincided with the incorporation of the local Bhil chiefs into the political structure of the Guhila state. The problems of integration demanded that the Bhil chiefs of the core area be conferred with a suitable political rank. The prestigious title of



n (status equivalent to the royal kinsmen) was conferred upon the Bhil chief of Panarwa. This Bhil chief was one of the autochthonous chiefs. The earliest documented evidence of the title of rind for the chief of Panarwa comes from the Sisodiya history of the seventeenth century. Nainsi refers to RoaDayaldas BN the chief of Panarwa. It is equally significant that Nainsi also refers to RawatNarsinhdas, the Bhil chief of Nahesar in the area of Jura (south-west of Panarwa).

Since different Bhil chiefs bore different titles and notwithstanding the possibility that these political titles were conferred on them by the state is strong. Nainsi also reports that Panarwa, the place of refuge for the Bhils, belonged to the Maharana. Hence, an important historical source of the seventeenth century points to traditions of close alliance between the Bhils of Panarwa and the Guhilas.

What was accepted at the level of ritual was not officially proclaimed. This truth is evident from the thirteenth century epigraphical records of the Guhilas. Both the Achaleswar (AD 1258) and Chittorgarh (AD 1281) inscriptions which speak of the foundation of the state of Mewar are completely silent about the Bhils in the formation of the State in Mewar. These two records mention the Bappa-Rawal (legendary founder of Guhila state in Mewar)-Haritarasi-Eklingji-Medapata legends as the only factors in foundation of Mewar state. Neither is there any mention of the Bhils of Oghna-Panarwa or Oondri in EkaTingamalumya, the SthalaPurana of Mewar (stated to be composed in fifteenth century in the royal court of Mewar). 1



The process of state formation demanded that the tribal areas be brought under the state structure.

was natural for the official records to be silent about the Bhils for obvious reasons. After all, the state of Mewar grew and emerged as a Rajput state under the Guhilas. The discrepancy of claims between the legends and official records of Mewar remind us of the case of Mallabhum-state. In spite of Brahmanical accounts of the origin of the Mallas, the Bagdi (a lower-caste community) association of the Malla rajas pre dominates the chronicles as the latter constitute a substantial population in the eastern part of Mallabhum. But the problems of integration demanded that chiefship and a suitable political rank be conferred on the Bhil leader of Oghna-Panarwa.

The chief of Oghna-Panarwa carries the title of rind and belongs to the category of Bhumia chiefs. It is an instance of the political process of state formation in which the important local political components are integrated through their incorporation into the samanta hierarchy. Tod describes the estate of Oghna-Panarwa in Mewar as the sole spot in India which enjoyed a natural freedom. Attached to no state, having no foreign communication, it lived under its own head, a chief with title of "Rana", head of five thou-

sand bows.

The process of state formation demanded that the tribal areas be brought under the state structure. Therefore, the nature and extent of interaction between the Bhils and the Guhila state in early medieval period is significantly different from earlier periods. The fact that there was not much contact between the Bhils and the local communities before the rise of the local states is evident from ShereenAhara. Only six six blade tools Ahada even though Late Ratnagar have Stone study of chalcolithic in chalcolithic been found was only about Age Bagor was 80 km away. But the early medieval period presents different scenario as it as witnessed the process of local state formation in Mewar.

The link routes connecting Chittor-Malwa trade route to the main artery route of Palanpur gap in the Gujarat-Sirohi belt passed through Bhomat country, the Bhil dominion of Mewar hills. The hills and forests restricted the capacity of the government to move men and goods throughout their territories. The Bhils of the core area once integrated could be expected to facilitate communications throughout the Bhil-country. □□

SJM launches initiative to boost local industries



Swadeshi Jagran Manch (SJM) launched a movement called 'All India Swavlamban Abhiyan' to create an awareness about self-reliance among Indian industry. As per SJM, "Swavlamban would be achieved by rejuvenating indigenous industry, including small scale industries, small businesses, artisans, rural industries including food processing industry and other non-farm activities,"

Prime Minister Narendra Modi's recent call that there is a need to be 'vocal for local' is a pleasant departure from the existing policy on globalisation and liberalisation, especially foreign capital-dependent model of development,

"It is time to revive those local industries that were taken for granted in the era of globalisation. It is also time to usher in economic policies that produce welfare, sustainable incomes, help job creation and, all in all, put faith in the people," said SJM

There are more than 700 MSME clusters in the country. Many of these industrial clusters lost their sheen due to unfair competition from China and unfair import policies. They have to be supported and strengthened by all means so that they not only create employment opportunities but also produce high quality products at the most economical cost, pointed out by SJM. More such industrial clusters would be identified at district level all over the country for ushering in future growth in manufacturing.

Under All India Swavlamban Abhiyan, SJM plans to draw up a comprehensive plan involving people from all walks of life including workers, farmers, small scale entrepreneurs, academicians, technocrats, and trade leaders.

"This is the time for hand-holding of local, small-scale manufacturers, artisans and small businesses. District level committees will be constituted involv-

ing people from industry, trade and activists for this purpose," said SJM

<https://www.thehindubusinessline.com/news/swadeshi-jagran-manch-launches-initiative-to-boost-local-industries/article31622467.ee#>

SJM to launch pan-India self-reliance campaign

The Swadeshi Jagran Manch (SJM) that pitches for swadeshi or indigenous production will initiate a pan-India Swadeshi Swavlamban Abhiyan (self-reliance campaign) to promote local production that will in turn generate jobs.

A comprehensive plan is being drawn that will involve workers, farmers, small scale entrepreneurs, academicians, technocrats, industry and trade leaders to create awareness about the benefits of promoting swadeshi or local products said SJM.

The SJM's renewed push for local has picked pace after Prime Minister Narendra Modi said India should go vocal about local even as it should be part of global supply chains. The SJM, however, said self-reliance means 'swadeshi' only; and it can be achieved by rejuvenating indigenous industry, including small scale industries, small businesses, artisans, rural industries, including food processing industry, and other non-farm activities.

SJM said there are over 700 MSME clusters in the country, with a long and prosperous history of industrial development, however, many of these industrial clusters suffered because of "unfair competition from China and unfair import policies".

"They have to be supported and strengthened by all means so that they not only create employment opportunities but also produce high quality products at the most economical cost," SJM said.

The SJM has made cluster studies to identify problems faced by the local industry and more studies will be carried out in a mission mode to revive domestic industry, he said.

Citing examples of how jobs can be generated in the rural areas, he said there are opportunities for



agro-based activities, including food processing, poultry, dairy, fishing, mushroom farming, bamboo farming, floriculture, horticulture, among others.

“It is unfortunate that policy makers in the past never posed trust in indigenous talent, resources and knowledge and therefore, over emphasised on the public sector and later on foreign capital and MNCs. PM Modi’s recent call that we have to be vocal for local is a pleasant departure from the existing policy on globalisation and liberalisation, especially foreign capital dependent model of development,” SJM said.

To be sure, union finance minister Nirmala Sitharaman last week announced a series of relief measures for the MSME sector as part of the Rs 20 lakh crore stimulus package.

In response to the MSMEs demand for a financial package, the finance minister announced that the government and central public sector enterprises will release all pending MSME payments in 45 days; government will facilitate the provision of Rs 20,000 crore as subordinate debt; infuse Rs 50,000 in equity in MSMEs through a fund of funds and expanded the MSME definition.

<https://www.hindustantimes.com/india-news/rss-backed-swadesh-jagran-manch-to-launch-pan-india-self-reliance-campaign/story-0Xw5EaBorF5dEMWNNToqrN.html>

SJM to launch movement to promote Indian products



Following Prime Minister Narendra Modi’s call for Atmanirbhar Bharat (self-reliant India) and Rashtriya Swayamsevak Sangh (RSS) chief Mohan Bhagwat’s emphasis on Swadeshi, RSS and its affiliate organisations have initiated a campaign to form district level committees across India that will promote awareness of indigenous goods and help businesses that make them.

The Swadeshi Jagran Manch (SJM), an affiliate of the RSS, which pitches for swadeshi or indigenous production, has launched a pan-Indian Swadeshi Swa-

labhan Abhiyan (self-reliance campaign) to promote local production. It will form district level committees to spread awareness on the use of swadeshi products, and also help Indian entrepreneurs solve problems in business. They will identify clusters that need help, engage in social auditing of policies and look at ways to solve problems of firms producing swadeshi goods to take them to the state governments, said SJM.

All 40 organisations of the Sanghparivar will focus on promoting the campaign.

Last week, PM Modi said the country should view the Covid-19 crisis as an opportunity to achieve economic self-reliance and stressed on the importance of promoting “local” products.

SJM told ET that the PM’s call to be “vocal for local” was a pleasant departure from the existing policy based on globalisation and liberalisation. “It is time to revive those local industries that were taken for granted in the era of globalisation, restore confidence in our small and medium businessmen, and make them understand that they are not alone. In the past they have had problems with finances, marketing and high interest rates while others were given incentives. We are hoping to find solutions to these problems,” he said.

SJM said there are more than 700 micro, small and medium entrepreneurs (MSME) clusters in the country, many of which “lost their sheen due to unfair competition from China and unfair import policies”. “They have to be supported and strengthened by all means so that they not only create employment opportunities but also produce high quality products in the most economical cost,” he said.

More such industrial clusters would be identified at district level all over the country for ushering in future growth in manufacturing, Mahajan said, adding that this time, the organisation will look for social action on ground on the issue of promoting swadeshi.

Arun Anand, author of ‘The Saffron Surge: Untold Story of RSS Leadership’ and ‘Know About RSS’, said all the senior Sangh ideologues in the past, be it Deendayal Upadhyay or Dattopant Thengadi, batted for a model of development based on growth of indigenous businesses, and that is what the organisation will focus now. “Swadeshi has always been our focus, but this time, the context is different. It is top priority as it is also about seizing business opportunities and strengthening our economy, which is the need of the hour,” SJM said.

<https://economictimes.indiatimes.com/news/politics-and-nation/swadeshi-jagran-manch-to-launch-movement-to-promote-indian-products/articleshow/75839604.cms>

SJM launches Digital Signature Campaign

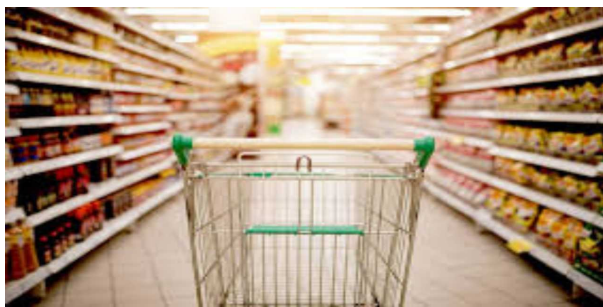
Swadeshi Jagran Manch launched Digital Signature Campaign to support 'Atma Nirbhar Bharat Abhiyan'. The Campaign was recently launched by the Swadeshi Jagran Manch with great fanfare. It was launched in New Delhi with the help of 16 different associations.

In Nagpur, the campaign was inaugurated by Shanthakka, National Head of Rashtra Sevika Samiti, in presence of and BC Bhartia, National President of Confederation of All India Traders, (CAIT). Both the guests have appealed to the people to support the campaign by sending their digital signature. Dhananjay Bhide, National Council Member of Swadeshi Jagran Manch, while talking to The Hitavada, informed that the campaign aims at getting support of 1 crore people, all across the country.

"Its a step towards making India a self-reliant nation. People can join the campaign by clicking on the link <https://joinswadeshi.com/digital-signature-for-self-reliant-bharat>." Bhede said. He added that the campaign aims at promoting India-made products and boycott of Chinese products.

<https://www.thehitavada.com/Encyc/2020/5/27/Swadeshi-Jagran-Manch-launches-Digital-Signature-Campaign.html>

List of non-Swadeshi items that will no longer be sold in paramilitary canteens



The government has recently listed the items or products that will not be sold by the Kendriya Police Kalyan Bhandar (KPKB) with effect from June 1 with an aim to boost the use of 'Swadeshi' or India-made products.

On May 13, Home Minister Amit Shah had said that only Indian products will be sold through the Central Armed Police Forces (CAPF) canteens from June 1 and these will be procured from Khadi and

Village Industries Commission (KVIC).

Kendriya Police Kalyan Bhandar (KPKB) is the parent body that runs para-military canteens across India, under the aegis of the Ministry of Home Affairs.

The products de-listed are as follows:

- All products of 7 companies have been completely de-listed including Skechers, Red Bull, Ferrero India Pvt Ltd, among others. A total of 1,026 product categories of companies or brands which are not swadeshi have been de-listed.
- Other products that have been delisted include Colgate Palmolive's products like body wash, mouth wash, Havells India products like Iron, hair straightener, GlaxoSmithKline's certain product categories of Horlicks and Hindustan Unilever's Kwality Magnum chocolate ice cream.
- The list also includes Loreal Maybelline Kajal, several products of LG Electronics, Mars chocolates, Nivea, Philips, Bajaj electronics, Panasonic, Blue Star, Eureka Forbes, Samsung, Borosil Glassware, TTK Prestige, Timex, Tommy Hilfiger, Cello plastic and homeware products.
- Abbott Healthcare products such as Similac Isomil, Addidas body spray sold by Cavinkare, Gillette's shaving range products sold by P&G, Air freshener Airwick (Reckitt Benckiser), Safari, Samsonite, VIP luggage products, Sleepwell blanket range (Sheela Foam), Dabur Real fruit juice range and Nilkamal plastic product range like chairs etc are also included in the list of products that will not be sold.

For those unaware, Central Police Canteens sells products to cater almost 50 lakh family members of about 10 lakh personnel serving in CRPF, BSF, ITBP, CISF, SSB, NSG and Assam Rifles

<https://newsd.in/list-of-non-swadeshi-items-that-will-no-longer-be-sold-in-paramilitary-canteens/>

BJP, Sangh plan mega push for Atmanirbhar Bharat

To take PM Narendra Modi's plan of "Atmanirbhar Bharat" or Self-reliant India forward, the BJP has planned a massive virtual outreach to voters, while other Sanghparivar affiliates are drawing up programmes and data collection exercises to amplify the campaign.

In his address to the nation on May 11, PM Modi had called for an Atmanirbhar Bharat that would focus on economy, infrastructure, system, demography and demand. Apart from announcing a special economic package of Rs 20 lakh crore, he had said this was the time to become vocal for our "local" prod-

ucts and make them global, with a focus on land, labour, liquidity and laws.

According to senior leaders of the BJP, a state-wise plan is being made to take the message of the PM and explain the utility of the package announced by the government to people. While the details of the campaign are being worked out, and an outreach is being planned at the national level, with around 1,000 virtual rallies. It has started with identification of volunteers and workers interested in economic concepts, and of beneficiaries of the various packages announced by the government, a party official said.

Gopal Krishna Agarwal, national spokesperson of BJP (Economic Affairs) told ET that government has been regularly consulting party units and taking feedback from the party and its ground level units.

The party, he said, has asked its karyakartas interested in economic affairs to speak to as many party functionaries as possible on how self reliance will influence all sectors, including agriculture, finance and others, and what could be the best way to go forward. "The identification of beneficiaries is important. We want to make them understand the benefits of schemes first and get them connected."

Every State will have 50-100 party workers or office bearers who are being identified and trained first through online Q&A answers, after which there could be close to 1000 virtual rallies to take the message of self reliance forward. Such sessions have already begun by the party in Rajasthan, UP, Punjab and Maharashtra, and later this month, there could be massive virtual rally of sorts.

The central government, Agarwal said, has limited role to play with regard to liquidity infusion or fiscal policies, and it was the State government that has to deal with labour, land, power and clearances to set up manufacturing units.

"So, State governments have to be proactive about how they can revive their MSMEs, cottage industries and how much they want to involve the private sector. Laxity on demand is a critical issue right now. Demand generation will come wherever the marginal utility of money is higher. Also there is shift in the psychology of people as compared to 2008 on risk aversion, be it the borrower or lender. There is much more credit aversion now. We are trying to address this at our level. Borrowers don't want to leverage their balance sheets because there is a strong recovery mechanism in place," Agarwal said.

According to him, the party has been aiding government policies with inputs from its end, be it about ensuring workers without ration card get supplies, changes to MNREGA to help the workers going home, or even channel the disbursement of funds through district magistrates for immediate relief work. "The plan for economic revival is not a short-term, knee-jerk response, but a well-thought over strategy based on critical feedback. It will be continuously looked into."

The RSS too has come all out in praise of the PM's announcement. In the last few days, two senior leaders of the organisation Dattatreya Hosabale and Manmohan Vaidya have also endorsed the swadeshi model. Swadeshi Jagran Manch that has often cited issues with the government's economic policies also called the Atmanirbharta campaign, "a vindication of its 30 year-struggle to see India economically independent."

The sanghparivar has now intensified its consultations on this issue, with a new survey on countering Chinese imports in the last ten years. Swadeshi Jagran Manch said a major part of their campaign will also focus on the problems of "inspector-raj, lack of capital and presence of foreign players," that affect the working of industrial clusters in every town.

"We had done a survey on 150 industrial clusters of the country nine years ago. We are revisiting the same clusters now with the help of our district units and volunteers to see how the situation has changed."

As per SJM preliminary findings have there was a decline in Chinese imports in 2018 in certain sectors such as chemicals and steel, because the government came out with anti dumping duties and hike in tariffs. "There should also be awareness in government agencies against Chinese low-price tenders. We are focusing of changing the mindset of people that self reliance is not workable. Till now, there was support to our cause, but it was partial. But now we see complete political push and will for the same," SJM said.

<https://economictimes.indiatimes.com/news/politics-and-nation/bjp-sangh-plan-mega-push-for-atmanirbhar-bharat/articleshow/76198198.cms>

LUB, SJM suggest to make Indian ownership as additional qualification to get MSME tag

Laghu Udyog Bharati (LUB) and Swadeshi Jagran Manch (SJM) have suggested government to make Indian ownership as an additional qualification for getting Micro Small & Medium Enterprises (MSME) tag.

"Since, the government has proposed change in



definition of MSMEs based on the criteria of investment and annual sale turnover and we agree with this," said Govind Lele, General Secretary, LUB.

"The government should also ensure that only those firms qualify as MSME in which ownership and effective control lies in Indian hands," he added.

He further said that MSMEs should be distinctly defined to separate traders, service providers and professionals from them.

As per the revised MSME classification, any firms in both manufacturing and service sector will be defined as "Micro" if they have an investment up to Rs 1 crore and turnover up to Rs 5 crore.

Earlier, firms could only be defined as Micro if they had an investment up to Rs 25 lakh and Rs 10 lakh in manufacturing and service sector respectively.

Both manufacturing and service firms can be classified as "Small" if they have investment up to Rs 10 crore and turnover up to Rs 50 crore respectively.

On the other hands, "Medium" manufacturing and service firms will be allowed an investment up to Rs 20 crore and turnover up to Rs 100 crore.

Meanwhile, Swadeshi Jagran Manch also wants the medium enterprises to be excluded from the definition of MSMEs as they are as good as big unit.

"First of all, the government should exclude medium enterprises from MSMEs as they are as good as large. Then, enterprise should be replaced with industry in the definition. Jobs are created more from manufacturing so we should encourage it," said Ashwini Mahajan, co-convenor of SJM.

"If non-manufacturing firms are brought into the fold of MSMEs, then all the benefits would be taken away by them," he added.

He also suggested that there should be separate set of incentives for traders and other service segments so that one is not mixed up with the other.

<https://knnindia.co.in/news/newsdetails/msme/lub-sjm-suggest-to-make-indian-ownership-as-additional-qualification-to-get-msme-tag>

Urgent action required to revive the pharma ancillary industry: IPA

The ancillary industry, a key contributor in the success of pharma sector in the country, has faced severe restrictions due to a variety of factors during the coronavirus-induced lockdown and needs concerted efforts for revival, the India Pharmaceutical Alliance (IPA) said.

Micro, small and medium enterprises (MSMEs) have significant presence within the ancillary industry, IPA said in a statement.

"The ancillary industry is a vital part of the pharmaceutical supply chain. For the industry to function, immediate action is required to support the ancillaries by identifying interventions that will enable their early revival in select segments and clusters," IPA President Satish Reddy said.

For the revival of the ancillary industry, several short-term and long-term efforts are required to be made by all stakeholders, a report on the theme of "Reviving the Pharma Ancillary industry – A Roadmap with Resilience to Excellence" by IPA and Accenture has said.

According to the findings, the short-term focus should be on providing disbursement of financial relief to MSME ancillaries by the government and for them to ensure manpower attendance at work.

Robust disaster management framework backed by greater transparency across the ancillary network needs to be implemented. The study also recommended a cross-industry collaboration platform, led by large Indian pharma manufacturers to drive greater visibility in the ancillary value chain to proactively identify supply risks, it added.

As per the recommendations made in the report, long-term goals for the ancillary industry should include reducing reliance on imports from a single geography to manage supply disruptions and this will require the government to identify strategic active pharmaceutical ingredient (APIs) for indigenous manufacturing.

"The Indian pharma landscape is evolving. With the revival of the API industry and the ancillary industry, we are well on our way to become a self-reliant pharma sector. IPA will work collaboratively with all stakeholders to help implement the recommendations in the report to help industry," IPA Secretary General Sudarshan Jain said. □□

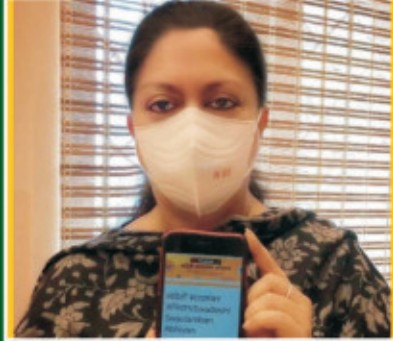
<https://www.outlookindia.com/newscrawl/urgent-action-required-to-revive-the-pharma-ancillary-industry-ipa/1859717>

Swadeshi Activities
Swadeshi Swavlamban Abhiyan
(Digital Signature Abhiyan)

Pictorial Glimpses



Sh. Ram Hahadur Rai



Smt. Vasundhra Raje



Sh. K.N. Govindacharya



Dr. Raman Singh



Sh. Krishnaveer Choudhary



Pt. Shyam Bihari Mishra



Aam Aadmi



Sh. Arjun Ram Meghval



Sh. Dharmendra Malik



*Yugrishi Jagadacharya
Mahapandit Chandramani Mishra ji*



Saint Samaj



Swadeshi Activities
Swadeshi Swavlamban Abhiyan
(Digital Signature Abhiyan)

Pictorial Glimpses



SJM Officers in the central office start the campaign by performing a havan



Sh. R. Sundaram (Convenor, SJM)



Smt Amita Patki (Women Convenor, SJM) & Shantakka ji (Rashtra Sevika Samiti)



Sh. Ajun Ojha (Co-convenor, SJM)



Sushri Babita Phogat (Olympic winner, Wrestling)



Sh. Nitin Gadkari (Central Minister) & Sh. Dhanjay Bhide (NCM, SJM)



Sh. Pratap Shadangi (Central Minister)



Sh. Kalraj Mishra (Governor, Rajasthan)



Sh. Bhagat Singh Koshyari (Governor, Maharashtra)



Sh. Kailash Choudhary (Union Minister of State)



Sh. Gajendra Singh Shekhawat (Union Cabinet Minister)