



**SYMBIOSIS**  
INTERNATIONAL UNIVERSITY



## Conference Proceedings

International Conference

# Transforming India 2030: Strategies for Sustainable Development Goals

Organized by  
Faculty of Humanities and Social Sciences

Pune, India 15-17 February 2017

In Collaboration with



**RIS**  
Research and Information System  
for Developing Countries  
विकासशील देशों की अनुसंधान एवं सूचना प्रणाली

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# National Bank for Agriculture and Rural Development



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# Preface

## Prof. Jyoti Chandiramani

Dean, Faculty of Humanities and Social Sciences  
Symbiosis International University



The idea of gauging the economy's well-being, or the Gross Domestic Product (GDP) was put forth by Simon Kuznets back in 1934, in the aftermath of the Great Depression. Since then, GDP has become an iconic policy variable. However, the shallowness of this measure was understood better by Kuznets than any other. He acknowledges that “welfare of a nation can, therefore scarcely be inferred from a measurement of national income.”

It's been a long development journey since 1934, and many an economist, besides social scientists and statisticians' world over have tried to come up with a measure of development that is reflective of more than merely the value of goods and services produced in the economy. The efforts over the decades concentrated on measurements of the well-being of people. The Human Development Index (HDI) of 1990s, sought to do just that, bringing the condition and state of human mankind to the centre stage of policy discussions. The HDI included parameters such as life expectancy (health), education, and per capita income (standard of living) indicators, which are used to rank countries into four tiers of human development. In line with this world view, the turn of the 21st Century, witnessed the Millennium Summit of the United Nations, culminating in the adoption of the Millennium Development Goals (MDGs) comprising of eight international development goals pertaining to human development, environmental sustainability and development of the global partnership. They were instrumental in steering unprecedented efforts to meet the needs and challenges of the world's poorest and addressing the issues of poverty and inequity. However, the goals weren't free from criticisms. In particular, it was felt that the framing process did not see adequate involvement by developing countries, and the goals were not

adapted for feasibility and did not pin responsibilities appropriately.

At the end of 2015, the MDGs have been replaced with an alternate framework for addressing the future development of humankind. The Sustainable Development Goals (SDGs) were agreed upon at the Rio + 20 Summit (United Nations Conference on Sustainable Development) in 2012 and have been developed with a view to addressing the future development of mankind. The SDGs are expected to adopt an approach that integrates the economic, social and environmental dimensions and concerns, which form the very core of sustainable development. They are composed of 17 goals and 169 targets, each intertwined with the other, thus recognising the need to not compartmentalise development. The goals engage with poverty, hunger, health, education, jobs and economic growth, infrastructure, innovation, sustainable cities and communities, responsible consumption, clean water, energy, climate change, sustainability of oceans and terrestrial life forms, peace and partnership for development cooperation.

In the words of UNDP Administrator Helen Clark, “This agreement marks an important milestone in putting our world on an inclusive and sustainable course. If we all work together, we have a chance of meeting citizens' aspirations for peace, prosperity, and well-being, and to preserve our planet.”

The development strategies being adopted by India to commemorate the 75 years of independence – Amrut Mahotsv (2022) and towards the commitment to realising the SDGs, will ensure that the onward journey will be decisive with a strong intent to ensure for its people a more liveable, secure and sustainable future.





# Acknowledgements

“Transforming India 2030: Strategies for Sustainable Development Goals”, is an outcome of our efforts to collaborate with Niti Aayog and the special efforts taken by Dr P.K. Anand (Advisor) and his team. We also express our deepest gratitude to United Nations Information Centre for India and Bhutan (UNIC) and the support extended to us by Mr Rajiv Chandran. Research and Information Systems for Developing Countries (RIS) the leading think tank - Ministry of External Affairs under the dynamic leadership of Prof Sachin Chaturvedi, has always recognised the importance of collaborating with academia and the need for capacity building for common research areas. Sustainable Development Goals is one such area that Symbiosis International University and RIS work together. The financial assistance received from Research and Development Fund of National Bank for Agriculture and Rural Development (NABARD) towards printing of proceeding of the conference is gratefully acknowledged.

We would like to acknowledge the Chairs and speakers across all tracks who individually and collectively were responsible to raise the level of the discussions and deliberations by providing valuable insights and rich contributions with regard to poverty inequality, education, gender, jobs, growth, sustainable cities, partnerships – in short the select sustainable development goals and their challenges.



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# List of Acronyms

ADB	Asian Development Bank
AIIB	Asian Infrastructure Investment Bank
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
ASEF	Asia-Europe Foundation
ASER	Annual Status of Education Report
B.Com	Bachelor of Commerce
BA	Bachelor of Arts
BRICS	Brazil, Russia, India, China and South Africa
CABE	Central Advisory Board of Education
CII	Confederation of Indian Industry
CSOs	Civil Society Organizations
CSR	Corporate Social Responsibility
ESCAP	Economic and Social Commission for Asia and the Pacific
FFD	Financing for Development follow-up
FICCI	Federation of Indian Chambers of Commerce & Industry
FII	foreign institutional investor
FOHSS	Faculty of Humanities and Social Sciences
FRBM	Financial Accountability Framework
GDP	Gross Domestic Product
GER	Gross Enrolment Ratio
GST	Goods and Services Tax
HDI	Human Development Index
IATT	interagency task team
ICCR	Indian Council for Cultural Relations
IIC	India International Centre
ILO	International Labour Organisation
IPR	Intellectual Property Rights
ISLI	Indian School Leadership Institute
ISRO	Indian Space Research Organisation
IT	Information Technology
JNNURM	Jawaharlal Nehru National Urban Renewal Mission
LIFT	Leadership Institute for Teacher
MDG	Millennium Development Goals
MDM	mid-day meals
MDPs	Management Development Programs

MIT	Massachusetts Institute of Technology
MNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MOSPI	Ministry of Statistics and Program Implementation
MPCE	Monthly Per Capita Expenditure
NABARD	National Bank for Agriculture and Rural Development
NDB	New Development Bank
NFHS	National Family and Health Survey
Niti Ayog	National Institution for Transforming India
NSSO	National Sample Survey Organization
OBC	Other Backward Caste
ODA	Official development assistance
OECD	Organisation for Economic Co-operation and Development
PDS	public distribution systems
PIC	Pune International Centre
PMGSY	Pradhan Mantri Gram Sadak Yojana
PPP	Public-Private-Partnerships
RIS	Research and Information Systems
SAARC	South Asian Association. for Regional Cooperation
SC	Schedule Caste
SDGs	Sustainable development Goals
SIU	Symbiosis International University
SOFI	State of Food Insecurity
SSP	social protection policy
ST	Schedule Tribe
TFI	Teach for India
TFM	technology facilitation mechanism
TRIPs	Trade-Related Aspects of Intellectual Property Rights
UGC	University Grants Commission
UK	United Kingdom
ULBs	Urban Local Bodies
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Program
UNFCC	United Nations Framework Convention on Climate Change
UNIC	United Nations Information Centre
USA	United States of America



# Inaugural Session

## INTRODUCTORY REMARKS

- Dr. S. B. Mujumdar
  - Dr. Vidya Yeravdekar
  - Dr. Rajani Gupte
- 
- **The Genesis of the Sustainable Development Goals and the way forward for India**
    - Mr. Yuri Afanasiev  
UN Resident Coordinator and UNDP Resident Representative in India
  - **Sustainable Development and Excluded Groups: Present Strategy and its Limitations**
    - Dr. Sukhadeo Thorat  
Chairman, Indian Council of Social Science Research
  - **High Incidence of Vulnerable Employment in India: Causal Factors and Feasible Policy Measures**
    - Prof. Dilip Nachane  
Professor Emeritus, Indira Gandhi Institute of Development Research,  
Mumbai & Chancellor, University of Manipur

## INTRODUCTORY REMARKS

### Dr. S.B. Mujumdar

Founder and Chancellor, Symbiosis International University  
(Awarded Padma Bhushan and Padma Shri by President of India)



In his opening remarks, Dr Mujumdar welcomed all the dignitaries and participants to the conference. He spoke about the genesis of Symbiosis, established since 1971 primarily for the welfare of international students studying in Pune city and highlighted how Pune and Symbiosis is a favourite destination of many foreign students. With there being as many as 20,000 international students from 85 different countries mostly Asian and African in the city of Pune alone.

Speaking about the motto of Symbiosis, "Vasudev Kutumbakam" based on the Vedic principle – "the world is a one family" Dr Mujumdar highlighted

the common thread of Philosophy that runs alongside the United Nations and Symbiosis.

Dr Mujumdar pointed that while the conference will delve on many tracks but he chose to specifically speak on education. He stated, "I do feel that quality education and quality education alone is the oxygen of development, and presently it is this sector which is being neglected by our government and other authority. Therefore, it is necessary that this conference should discuss issues pertaining to quality education and how it can be affordable, how it should be inclusive and such other aspects".

## INTRODUCTORY REMARKS

### Dr. Vidya Yeravdekar

Pro Chancellor and Principal Director, Symbiosis International University



Dr Vidya Yeravdekar, in her opening remarks highlighted the aspect how Symbiosis as an institution has been carrying out the SDG Goal 4: ensuring quality education both at the school and the higher education level. Symbiosis attracts students from not just all States of India but from countries across the world, wherein students from 85 different countries and specifically developing countries – study at Symbiosis. She stressed that Symbiosis as an organisation and the university is carrying on its shoulders a great responsibility to build capacity to shape a great human resource for those countries where education is not as excellent as it is, through the various colleges and universities in India.

Talking about the theme of the conference, “Transforming India 2030: Strategies for Sustainable Development Goal, she highlighted the importance and need to develop a sub-theme about Pune city and Pune district and develop a policy papers as an outcome of this conference. This could set an agenda for the next 3-4 years about transforming Pune 2020. The outcome of the Conference would help the University to frame the agenda and undertake activities. Throwing light on the city of Pune which

comprises of a nearly 6 lakh students and a host to a number of universities and colleges, coupled with the strong presence of the Information Technology and the automobile sector, Dr Yeravdekar, strongly reiterated that the goals, targets and the indicators should be identified making a framework in consultation with the Collector of Pune District and the Commissioner of Pune city, with faculty and students contributing towards transforming the city and helping it achieve the Sustainable Development Goals. Dr Yeravdekar highlighted how Symbiosis International University, at its Lavale campus, which is away from city of Pune, has adopted 23 villages and small hamlets, with the objective of empowering the villagers – preparing them for jobs, and contributing substantially in the field of education and health, waste management, sanitation, etc.

In her concluding remarks, Dr Yeravdekar stated very definitely that Symbiosis International University is committed to realising the SDGs and will further contribute by defining our own SDGs within the framework of our University and our surroundings to make a more liveable society.





## INTRODUCTORY REMARKS

### Dr. Rajani Gupte

Vice Chancellor, Symbiosis International University



The United Nations on the occasion of its 70th anniversary in September 2015, put forward new and improved global Sustainable Development Goals (SDGs), with the prime objective to address the future development of mankind. It involved adopting an approach that integrates the social, economic, and environmental dimensions and concerns which form the very foundation of sustainable development. The Sustainable Development Goals are composed of a total of 17 goals with 169 targets, each intertwined with the other, thus recognizing interlinkages of development. The goals were unanimously adopted by the 193 member nations and deal with poverty, hunger, health, education, jobs and economic growth, infrastructure and innovation, sustainable cities and communities, responsible consumption, clean water, energy, climate change, sustainability of oceans and terrestrial life forms and peace and partnership for development cooperation.

While the SDGs have provided a global shared narrative which helps and guides public understanding of complex challenges, the Symbiosis International University (SIU), as an important stakeholder in society, is committed to

channelising its education towards mobilising local, national and global participants to promote integrated thinking at different levels, chart out long-term pathways, and create a framework for realising and assessing of the goals. The hosting of this conference is therefore a step forward towards this initiative.

The next decade and more are going to be decisive for India under the transformative agenda put forward by the government under the Niti Aayog (National Institution for Transforming India). Embarking on a journey of fulfilling aspirations of the largest democracy in the world is not an easy task, but if we as a nation are to achieve the SDGs, it will only be feasible if development works its way from the grassroots upwards. There is therefore a need for a constructive approach towards fortifying both development and democracy. Engaging citizen bodies, research institutes and varying levels of governance is therefore the need of the hour. Through the conference, the Faculty of Humanities and Social Sciences (FOHSS) seeks to address the issues and challenges that will enable formulation of strategies with respect to the varied SDGs.

## The Genesis of the Sustainable Development Goals and the way forward for India

### Mr. Yuri Afanasiev

UN resident coordinator & UNDP resident representative, India



Mr. Afanasiev in his inaugural address spoke about the conception and formation of the Sustainable Development Goals (SDGs), which started from the 'The World We Want Campaign' wherein the various goals and targets were finalized in the presence of various stakeholders from 193 countries. The 17 SDGs have been classified as follow:

- First six goals emerging from the unfinished agenda of the Millennium Development Goals related to health, education and other social agenda
- Subsequent six goals address the economic agenda pertaining to the right of countries to develop
- Succeeding three goals about planetary and environmental safety concerns are the new additions to the list.
- Last two goals focus on the governance and global partnership agenda.

Mr. Afanasiev focused on the 17th goal of Global Partnership underlining its importance in achieving other goals. He opined that the traditional models of development may not work as expected, resulting in inadequate public resources to attain SDGs. Therefore, he advocated a need of non-conventional financial models and participation of private sector endowed with money, technology and innovations. He praised the role of some businesses which are engaged in finding commercially viable solutions to various development problems. Citing the example of technologically-advanced Indian pharmaceutical sector which produces selected drugs at relatively lower cost, he admitted that the country has saved millions of lives around the world and

indirectly assisted UN to distributed these drugs globally, particularly several African countries. He further pointed out the rising outflow of financial resources from developing to the developed world as a key constraint in achieving developmental goals. He asserted the requisite to design a system to prevent the outflow. Indicating the present status of India on various goals and targets, Mr Afanasiev argued that India's performance in SDGs is crucial for UN's success. He also mentioned that the SDGs are being integrated with India's the National Development Plan and will be part of the Union Budget 2017-18.

Since every SDG is linked with each other, as the philosophy of life, their basic objectives are:

- 1) To connect with people
- 2) To evolve over time
- 3) To review and update the goals
- 4) To update with technology
- 5) To ensure citizen participation through enhanced technology, creating accountability for governments.
- 6) To experiment with new development and financial institutions.

Further to the sixth point, he stated that the new solutions to these developmental problems that Indian Government or the Industry invents, would be replicated in other developing countries. With these expectations, he expressed the UN's enthusiasm to work in India to achieve various developmental goals.

## Sustainable Development and Excluded Groups: Present Strategy and Its Limitations

### Prof. Sukhadeo Thorat

Chairperson, Indian Council of Social Science Research



Prof. Thorat took cognizance of the prevailing scope and optimism to achieve SDGs in India, however, he pointed out that country's development experience has remained complicated. Referring to the SDG slogan of 'leaving no one behind', he described how inequalities are deeply rooted in the Indian society and highlighted the fact that diversity is often coupled with disparity. In his talk, he brought to the fore, the three types of inequalities, viz. (i) Interpersonal Inequality (ii) Intergroup Inequality based on social and cultural identity, and (iii) Intersex Inequality. He argued that all these inequalities will pose hurdles for achieving the SDGs.

He asserted that along with the lack of access to various facilities including health, education and decent housing, it is the denial of equal opportunities based on an individual's social identity is the main reason for the inter-group inequality. He, therefore, advocated policies to reduce inter-group inequality in conjunction with interpersonal inequality removal policies. Further referring to Naila Kabeer's work on inter-sex inequality, he also highlighted the fact that some groups face multiple exclusions. He explained with an example of a Dalit woman, who may face double or triple discrimination based on gender, caste,

and religion compared to a non-Dalit woman. As the differences in the level of development of certain sections of society are more acute, owing to such multiple exclusions, he urged a deeper understanding of the complexity of the inequality issue in India for effective policy.

Dr. Thorat emphasized the fact that the inequalities can be dealt with by framing proper policies, which should be effectively implemented both by the Government and private sector. He further argued that India does not require mere growth, but 'poverty-reducing growth', where an increase in income goes to the poor. He asserted that the trickle-down of income to the poor does not happen automatically, as hypothesized earlier. He further highlighted the Asian Development Bank's claims of having non-discriminatory and disadvantage reducing growth to tackle inter-group inequalities. He opined that the participation of discriminated groups in the growth process is the key challenge that India needs to address. Reiterating discrimination based on caste, ethnicity, gender, religion, and race is being experienced by the present Indian society, he concluded that the present 7-8 percent growth has failed to destroy the structure of hierarchy and the important question for us is how to break this structure.

## High Incidence of Vulnerable Employment in India: Casual Factors and Feasible Policy Measures

### Prof. Dilip Nachane

Professor Emeritus, Indira Gandhi Institute of Development Research, Mumbai & Chancellor, University of Manipur



Professor Dilip Nachane spoke about the employment dimension of the SDGs. While assessing the progress of MDGs, he pointed out that the MDGs framework relied heavily on the trickle-down mechanisms to attain poverty and hunger related goals. However, citing the weak trickle-down mechanisms and low elasticity of poverty reduction to growth in India, he argued that any effort of significant poverty reduction without reduction in inequality would jeopardize the ecological system. Referring to the old debate of 'limits to growth' versus technology, he opined that the SDGs framework does consider the limitations of technology and talks about planetary ecological boundaries while attaining goals.

In the context of sustainable development, he highlighted three types of sustainability - a) Economic (Manmade Capital), b) Social (Social Capital), and c) Ecological (Natural Resources Capital). Citing research published on ecological systems and interaction between humanity and the natural environment, he pointed out that we are at present very close to the violation of some of the planetary boundaries (climate change, biological diversity). He underlined the significance of SDG Goal 17 "Global Coordination" in this context, arguing that a nation can impose externalities on others by not respecting the planetary boundaries.

With respect to Goal 8 (Employment and Economic Growth), Professor Nachane pointed out the low and falling trend in the employment elasticity in manufacturing and services sector in the recent past. Along with the present phase of jobless growth, he raised his concerns about the Indian economy with reference to ILO's (2009) newly introduced concepts viz. working poverty and vulnerable employment. Working poverty shows employed people earning below the threshold income level of \$1.25 per day or \$2 per day. Vulnerable employment implies a high risk of employment being denied and the simultaneous lack of rights to protect oneself from the same. He further stated that the proportion of employed labour being vulnerable is higher in India compared to other countries. In this backdrop, he elaborated various sections of Goal 8 and went on to evaluate the proposed Labour Legislations by the Indian Government. He highlighted some of the proposed provisions like the increase in the percentage of workers needed for registration as a representative union from 15% to 30%; scrapping of the requisite prior government permission for retrenchments in establishments employing more than 300 workers and other provisions resulting in higher informalization of labour. He then concluded that the contemplated Indian labour reforms are strongly at variance with Goal 8 of the SDGs and will erode the quality of work, and reduce social welfare.



# Plenary Track I: Poverty and Inequality

- **Growth, Inequality and Poverty - Recent Indian Experience on Interlinkages**
  - Dr. Sukhadeo Thorat  
(Chairperson), Chairman, Indian Council of Social Science Research
- **Sustainable Development Goals: Pathway to Equity?**
  - Prof. K. Seeta Prabhu  
Tata Chair Professor, Tata Institute of Social Sciences
- **Social Protection Policies**
  - Prof. Himanshu  
Associate Professor, Centre for Economic Studies and Planning,  
School of Social Science, JNU
- **Missing Narratives on Poverty and Inequality: Data, Methods, Metrics, and Public Discourse**
  - Ms. Biraj Swain  
Adviser, IntraHealth International & Consulting Editor, Newslaundry

## Growth, Inequality and Poverty - Recent Indian Experience on Interlinkages

### Prof. Sukhadeo Thorat

Chairman, Indian Council of Social Science Research



Prof. Thorat provided an overview of the economic debate on the linkages between growth, poverty, and inequality. He started with Simon Kuznets' famous contribution of the inverted U-Shaped hypothesis and its implicit automatic trickle down mechanisms. The empirical evidence from Latin American countries, however, contradicted this economic wisdom, which witnessed high economic growth with high poverty. He then highlighted a shift in economic thinking in 2000s, when economists and policymakers realized that 'growth alone' is not sufficient. He mentioned about the World Bank report on 'inclusive growth' or 'pro-poor growth'. It implies that the incremental distribution in income should go more to poor than to non-poor and he further clarified that inclusive growth does not imply that income of non-poor should not increase. Further, he shed light on the debate between scholars like Nanak Kakwani and Martin Ravallion regarding the definition of pro-poor growth in the context of its implication on poverty. He put forth Ravallion's argument that any decline in poverty because of growth should be considered as pro-poor growth, without measuring the magnitude of the decline. Kakwani, on the other hand, argued that any growth will reduce poverty by some extent, hence cannot be termed as pro-poor growth. It is the magnitude of reduction in poverty that makes it pro-poor. He highlighted that Ravallion's concept of pro-poor growth was the absolute increase in income while Kakwani's concept was associated with income rise of the poor relative to the non-poor. He further discussed the debate regarding

reduction in poverty with respect to time. The current year's rate of increase in the income of the poor should be higher than that of the previous year to be qualified itself as pro-poor growth.

Citing research by scholars such as Carlson from the Netherlands who is working on Asian economies, he further added that poor is a heterogeneous category, mainly in terms of social identity. Members of some social groups are poorer than others. The research identified that members subject to discrimination based on their social, religious, ethnic and gender identity also face obstacles in accessing the market and non-market resources; they face more specialized problems as compared to the non-excluded groups. This has led to the development of the concept of non-discriminatory growth, where every person would have equal access to sources of income. The Asian Development Bank has coined the term 'disadvantage-reducing growth' referring to the growth which leads to substantial reduction in poverty, which is non-discriminatory in nature and which reduces disadvantages in accessing resources.

Based on this discussion, Dr. Thorat discussed the quantitative research jointly undertaken with Prof Amresh Dubey, where they estimated the increase in the Monthly Per Capita Consumption Expenditure (MPCE), Gini Coefficient (measure of income inequality) and the elasticity of poverty (degree of change in the income of the poor for one percent increase in MPCE); the latter was considered as the indicator of pro-poor growth. The time span of the study was 1993 – 2004 and



2009-2010. It relied on NSSO data and considered the poverty line recommended by the Tendulkar Committee. Prominent findings are as follows:

1. The MPCE of all, considering farming, nonfarming and other occupational categories, as well as self-employed in the urban areas has increased.
2. The poverty level, both in rural and urban areas for all occupation groups such as farmers, non-farmers, self-employed, farm based labourers, casual labourers and regular salaried workers has reduced.
3. During this period, many of the oppressed social groups such as scheduled castes, scheduled tribes, other backward classes, along with high caste Hindus and Muslims experienced the reduction in poverty levels. He, therefore, underlined that the growth during this period has been inclusive.
4. It was also observed that while income increased, inequality had also increased during this period, particularly in urban areas. He further argued that the increase in inequality affects the differential rate of declining poverty, implying non-pro-poor nature of the growth. To elaborate further, he pointed out:
  - a) The elasticity of poverty reduction was higher for the farmers, land owning

classes compared to the wage labour in rural areas; however, the elasticity of poverty reduction was much lower for the farm based labour, who are the poorest

- b) for rural areas, the study observed that for non-farm casual labour rate of reduction of poverty (plausibly due to public employment or ability to migrate to obtain higher wages) and elasticity was higher than that of the self-employed
- c) in urban areas, the elasticity of poverty reduction among the self-employed was lower compared to both regular salaried labour and casual labour. The self-employed in urban areas comprise of a large number of businessmen and an even larger portion of small producers. Poverty in this sector has not reduced as much as that of casual labour, because the latter has the advantage of mobility.

Dr. Thorat, therefore, concluded that growth between 2004 and 2009 has benefitted almost all economic and social groups cutting across in rural and urban areas but the rate of increase in MPCE and the rate of reduction in poverty varies across different groups. It implies at an aggregate level, growth was pro-poor but it has different impacts among the various socio-economic groups including farm-based labours, self-employed, casual labour. He, therefore, strongly advocated group-specific poverty-reduction policies.

## Sustainable Development Goals: Pathway to Equity?

### Professor K. Seeta Prabhu

Tata Chair Professor, Tata Institute of Social Sciences Sciences



Prof. Prabhu shared her thoughts on the formulation of the SDGs in the backdrop of the global environment and the MDGs, with special emphasis on Goal 10. She argued that the grand vision expressed in the Millennium Declaration was unable to translate into actions, indicators and targets set out in the MDGs. She further stated that the progress across different MDGs has remained uneven. While targets related to poverty have been achieved, targets related to hunger and sanitation have not been achieved in several countries including India. She, however, pointed out that the MDGs have been successful in bringing together a large number of countries to take collective action and focus on certain crucial indicators.

While comparing MDGs and SDGs, Prof Prabhu pointed out that the SDGs are not merely an extension of the MDGs but incorporate a broad approach towards development. She argued, as the SDGs were formulated through a greater participation (of various stakeholders) process, it has added a sense of ownership at the individual stakeholder level. While emphasizing the philosophy of the SDGs – 'to leave no one behind and reach the farthest first', she voiced her concern of shifting to a reductionist approach while implementing a project of such a scale. In addition, she stated that the environmental dimension is no longer separate but has been integrated into the other two pillars of the SDGs viz. Economic and social.

In the context of inequality, she highlighted that fact that institutions (like the World Bank) which promoted growth have started recognizing

inequality as an important issue that needs to be tackled because of rising within-country inequalities during 1990-2012. She also asserted that the issue of inequality was no longer reserved only for developing countries but has also crept up into developed countries. She also discussed rising versus stagnating income shares of different income groups with the help of Milanovic Elephant-shaped curve. She also spelled out the IMF and the World Bank recognized that high inequalities within a country would lead to shorter spells of growth and shed light on the looming threat of the middle-income trap, wherein countries (such as Latin American countries) cannot successfully transit to higher levels of income despite decades of growth.

Prof. Prabhu argued that inequality has been considered to be detrimental to the sustainability of growth or a possible cause of social conflict, but it is not considered to be unacceptable on ethical ground. It is in this context she said that our approach towards inequality is highly instrumental in nature.

With the advent of the SDGs, for the first time, there is an independent goal dedicated to reducing inequality. This is, in a sense, recognizing that without addressing inequality, we cannot ensure good quality life for a majority of the world's population. The MDGs were faulted on the ground that they only looked at averages and ignored the aspect of distribution. She further asserted that Goal 10, of 'reduced inequalities' is an attempt to correct this anomaly and is also a monumental admission that the growth process has actually not addressed distributional issues

Inequality reduction has to permeate across the SDGs in the philosophy of 'leave no one behind' and as the SDG framework links various dimensions like income, education, health, water, poverty, hunger, energy, infrastructure, gender and employment; the goal of reducing inequality is not confined to only income. She further discussed the inequality situation in India, especially within the urban- rural context as well as among various social groups. She further asserted that intergenerational transmission leads to persistent inequality due to inequality in the health and education dimensions and occupational immobility. In the same context, she added that instead of small programmes or interventions, we need integrated and powerful policies to reverse the trend of inequality. She concluded the speech by emphasizing a strong and improved data collection system, especially at district-level as 'what gets measured, gets done' and State level Action is seen as imperative.

## Social Protection Policies

### Professor Himanshu

Associate Professor, JNU



Professor Himanshu argued that while sustained high growth in India for more than a decade has failed to eradicate multi-dimensional deprivation and disparities, a social protection policy may address these issues to some extent.

Prof. Himanshu discussed the rising trend in interstate, inter-personal wealth inequality. He stated that the impressive growth in India has come at the cost of rising inequality. He pointed out that private surplus has nearly doubled from 7 percent in 1993-94 to 14 percent in 2011-12. During this time period, the shares of Government Salaries and Private Salaries in national income have declined. Similarly, managerial incomes increased substantially compared to workers' income – which remained stagnant during the same period. The divergence was wide, especially after economic reforms. The share of profit has been increasing in the organized sector along with a falling share of wages. This is accompanied by sluggish growth in employment generation, with a continuous deterioration in the quality of employment in terms of increased informalization of labourers. Female workers participation rate in India has declined, which is unique in the world. He highlighted the rising trend of labourers moving from the agricultural to the non-agricultural sector as well as the lower than required number of jobs being created in the non-agricultural sector. This situation is further aggravated due to the rapid increase in population, putting more pressure on the creation of jobs. He argued that the wider and increasing gap challenges the sustainability of growth. The share of contract

workers in the private sector has also increased in past decade. It implies that workers' income inequality is rising. Wealth inequality is also increasing. The shares of SCs and STs in wealth have remained low and are further sliding. On the contrary, wealth shares of general category and top income groups are witnessing a substantial rise. He also brought to notice that the share of the top 1 percent and 5 percent income group in total income has reached its highest since Independence in last decade.

However, the same time period has recorded a reduction in poverty, measured by any definition of poverty line. He acknowledged a revival in agriculture as rising inflation pushed up agricultural income relative to non-agricultural income and wage rise in rural & urban areas as some plausible reasons for poverty reduction but emphasized an increase in redistributive transfers as an important cause.

He pointed out that the period of 2005 onwards to 2013-14 witnessed the increase in redistributive transfers, through programs like Pradhan Mantri Gram Sadak Yojana (PMGSY), and state governments spending on programs like Mid-Day Meals (MDM) and Public Distribution System (PDS).

He chose to focus on the PDS, which transfers resources from state to individuals through subsidized prices and which has highest reach (50 percent of the rural households and at least 1/3rd urban population) among all the government programmes. He argued that the shift from targeted coverage system to universal coverage

system has reduced the leakages of transfers substantially from 2011-12 till date. He further explained that the PDS has reduced the poverty through the implicit transfers it makes to individual and through indirect effects on consumption. He also pointed out that the availability of the subsidized food enables the beneficiaries to spend more on education, healthcare, and other consumption items. He further stated that the period between 1993 and 2004-05 (low economic growth) witnessed a decline in the poverty mainly due to growth in private income. Subsequently, in 2004-05 to 2009-10, the PDS has contributed to roughly 1/3rd of poverty reduction. The implicit transfers from the PDS have contributed more than the growth in out-of-pocket expenditures in poverty reduction.

In his concluding remarks, Professor Himanshu reasserted that we had witnessed very high growth and inequality in past decade. While

people did benefit because of wage increase, increased redistributive transfers remained an important contributing factor in poverty reduction, such as the PDS among others. He, therefore, drew attention to the Indian experience of 10-15 years, where growth and inequality rose along with the reduction in poverty.

However, he further asserted that the PDS and other social protection policies cannot reduce inequalities. India is facing structural inequalities like inequalities in accessing labour market, education and healthcare facilities, which will not be addressed through money transfers. Devising strategies to attack these structural inequalities is the only solution. He underlined that the problem calls for a political solution rather than economic one. There is an urgent need to look at the social protection policy from a different paradigm, rather than just as a policy to support the poor.

## Missing Narratives on Poverty and Inequality: Data, Methods, Metrics, and Public Discourse

### Biraj Swain

Faculty, Pondicherry Central University

Adviser, IntraHealth International Consulting Editor, Newslandry



Biraj Swain in her discourse highlighted the importance of measuring the metrics of performances for drawing inferences. While there is an excitement about data revelation, presently for sustainable development – the data revolution she argued is being led by venture capitalists – and that the entire solution lay with the private corporate sector. She, however strongly put forth her views that big data can be mined –and that the goal to achieve sustainable development cannot always use economic solutions to political, social and structural problems.

In her opinion, while the SDGs were supposed to be the most inclusive set of goals ever drafted; she, however, believed that there are certain missing facets related to people, power, and politics. She pushed forth her argument by highlighting the 2012 International Food and Agriculture Development (IFAD) Report, which revised its definition of hunger and reduced it to an ultra-conservative number of 1900 to 1700 calories and stated that hunger had gone down by 14%, just based on a paper exercise of redefining hunger to an ultra-conservative number. Swain, therefore proposed that the SDGs should use global benchmarks derived from an aggregate of best practices, which should include the global definition of social protection, of poverty, inequality and should constitute the benchmarks to which the governments look up to. It should for example also include aspects such as food and fuel prices, which are likely to impact the consumption pattern of the lowest quartile of consumers who

spend a major chunk of their income on such items. While the NSSO report states that 60% of national average income is earmarked for food and fuel.

Swain expressed her concerns when global benchmarks start messing with the definitions and civil society academicians let those definitions go unchallenged. This results in stakeholder mudding the entire public discourse and narrative. She, therefore, highlighted that we can report anything and everything and as per the SDGs, 169 targets are to be measured by 230 indicators, so the questions are: Are they the right indicators?

For example, 2012 State of Food Insecurity (SOFI) Report for the first time included the aspect of food wastage but how did they include it in the methodology is still an unanswered question. She therefore reiterated that we should be mindful of not choosing indicators that are convenient to the statisticians and economist.

From her perspective she discussed the practical liveability of the population on Rs 32 per day as per the 2011 statistics, wherein two MIT engineers Mathew Cherry and Tushar Vashishth working on the Aadhar Project attempted to live off the defined amount. However, the participants of the experiment had an exit valve, but she expressed her concerns about our need to think of the millions of Indians who do not have an exit valve and have to live under such conditions.

Swain also pointed out the censorship issue and stated that while India has a very good statistical

commission, which has a fair amount of autonomy, she highlighted the fact about some inconvenient outcomes that emerged after 10-year gap between National Family and Health Survey (NFHS)-3 and 4. For example there was an India Shining campaign while the NFHS-3 showed that malnutrition has also gone up by 1 percent. This was a dichotomy difficult to explain. The second is the poverty exclusion report by the World Bank, they did a decomposition of four identity groups – Dalit, Adivasi, Women. and Muslims. However, the Bank in its report and has declared in its summary, that they were not allowed to publish a chapter related to the Muslims. Thus the fact that one chapter was not allowed to be published is also a case of censorship.

She, therefore, concluded her discussion stating that data revelation for sustainable development is important, if data censorship in some forms exist. Development data cannot be conclusive if we are not publishing it, or if we are publishing it after they have become dated and irrelevant or if we are not outraged if they are being censored over and over again in multiple forms. She therefore posed the question about the way forward? She reiterated the need to reclaim statistics and service as public goods and a need to vandalize orthodox statistics and economics and also asked another important question on media blackout and censorship or when methodology and findings do not go in tandem with the living reality. She therefore emphatically stated that it is important to ask inconvenient questions and to engage especially when the narrative is completely counterfactual to your living reality.

*"The only function of economic forecasting is to make astrology look respectable." - John Maynard Keynes*

*"There is no nonsense so arrant that it cannot be made the creed of the vast majority by adequate governmental action." - Bertrand Russell*





# Plenary Track II: Education and Gender

- **Role of Education and Gender Equality in Achieving SDGs**
  - Mr. Derk Segaar  
Director, United Nations Information Centre for India & Bhutan
- **Gender and Education**
  - Dr. Rohini Sahni  
Professor, Department of Economics, Savitribai Phule Pune University
- **Missing Link Between Female Educational Attainments and Labour Force Participation**
  - Prof Anagha Tambe  
Krantijyoti Savitribai Women's Studies Department, Savitribai Phule Pune University
- **The Experience of the Indian Education System**
  - Principal and students of schools associated with Teach for India

## Role of Education and Gender Equality in Achieving SDGs

### Mr. Derek Segaar

Director, United Nations Information Centre, New Delhi



Mr. Segaar speaking on Track II - Education and Gender pointed out that the SDGs are an enhanced version of the MDGs with a focus not merely on 'education' but 'Quality Education and Gender Equality'. The two goals, he stated are significant to achieve SDGs.

Speaking about education, he highlighted that gap in male (80 percent) and female (65 percent) as per India's Census 2011, while asserting that the literacy is different from education. He also discussed the crucial statistics regarding school enrolment pointing out satisfactory enrolment in primary and secondary level schooling (above 95 percent of children in the respective age groups) for both girls and boys. He further highlighted the gender-wise inequality which surfaces in the enrolment of higher-education. Enrolment rate of men is significantly higher than for women and at the same time, the dropout rate for boys and girls are also drastically high.

Elaborating on the Quality of Education, Mr. Segaar urged for a special attention to develop the curriculum consistent with the labour market requirements and aiming to shape responsible citizens. Citing the famous Annual Status of Education Report (ASER - 2016) report, he described the substantial gap between student's performance and level of their school standard. He further pointed out that such discrepancies also exist in the case of higher education; wherein a 2016 report showed that 80 percent of all engineering graduates are unemployable in software services. He therefore commented that while India is celebrated for higher education and outsourcing professionals around the world, there is a need to review and readdress the

shortcomings in the curriculum to involve vocational skills and fostering life skills as well.

On the backdrop of World Bank's data showing a drop in the number of women in the workforce from 35 percent in 1990 to 27 percent in 2014, he said this was in sharp contrast with several countries. International Labour Organisation (ILO) has attributed the drop to the limited occupational choices for women in the Indian society, which are facing stagnated phase over the past few decades. He, therefore, underlined the need to explore ways by which women can be employed in non-traditional sectors, on the backdrop that the UN is working towards a "50-50 planet by 2030".

He further asserted that the world should strive for equality between men and women in all sphere of life; not limited to education and workforce. Women are discriminated against at all levels in social spaces irrespective of being from rural or urban areas or being educated or not. Higher and rising crime against women, the issue of child brides, gender based sex selection because of a cultural preference for sons, among others shows women's conditions. He further added that women facing such violations are not only held back from achieving their full potential as productive members of society but also from living their lives as truly free and equal members of society and he strongly opined that they deserve to stay in healthy and a happy atmosphere.

Mr. Segaar also stated that he propagated feminism strongly and believes that all men should have such views. He further argued that if the

values to foster equality in opportunities and duties are followed in our family, then it is a matter of time when we will witness such a change in society.

He further voiced that the important areas like sex education and use of contraceptives are still stigmatized and not spoken about and called for academia's attention to address this.

In conclusion, he argued that gender equality and quality education are the two basic pillars to address all other goals, highlighting the multiplier effect of women-oriented developmental programs on family and children. Similarly, a stronger education system based on scientific and rational thought can tackle challenges like climate change and protect lives on the earth.

## Gender and Education

### Dr. Rohini Sahni

Professor, Savitribai Phule Pune University



Dr. Sahni began her talk discussing her research paper titled "Gender equity from a lens of inclusiveness in Indian higher education since independence." She emphasized that the objective of the paper was not limited to understand the issues females face in accessing but also what academic courses and programs do they access and in what kind of institutions.

She argued that the inclusiveness need to manifest in both greater 'geographic spread' of female numbers and more 'faculty wise distribution' (showing how broadening choices within education are being availed by girls). She further added that if equity were not achieved on these scales, it would amount to a degree of non-inclusiveness.

Dr. Sahni stated that there is a gender bias prevalent in India that has its roots deeply entrenched in socio- economic-cultural conditioners of patriarchy, poverty, the social hierarchy that have impeded greater, more meaningful participation of girls in education. While she acknowledged that these inherent biases could not be undermined, her paper argued that there are equally important systemic traits - the quality and quantity skews in the system are equally responsible for shaping girls' education in India.

Highlighting the non-inclusiveness phase of girl's in higher education in India since independence, she added that girls' participation in education has started increasing over a period of time; however, she expressed her disappointment that the calibration of girls' inclusiveness is being

measured in gender ratios and viewed as a 'catching up' exercise. This is in the backdrop of the higher education system in India having presently become one of the largest in the world.

Prof Sahni pointed that the successful participation of girls in education depends upon the social reforms in the states and supplemented with greater institutional presence to accommodate the entry of girls. These initial conditions varied enormously across states, depending on reforms striking root and the waves of institutional expansion. Presently, it is the institutional presence that has come to determine the nature and extent of girls' participation. While in 1958-59, Maharashtra and West Bengal cornered a lion's share of girls in higher education (15 and 20 percent respectively), the state has witnessed a manifold expansion in institutional capacities and its contribution to the national pool of female enrolments has come down only marginally (from 15 to 12 percent). In contrast, West Bengal which has not augmented institutional numbers saw its share decline sharply from 20.78 percent to 6 percent. Presently, all states have improved equity ratios in Class-X and XII. Therefore, the eligibility base has become more engendered. She went on to add that, while we have progressed through phases of literate boys and illiterate girls to higher educated boys and literate girls and now to greater diversification of boys across streams of higher education, while girls remain concentrated in some streams. Another aspect highlighted was the concentration of schools in some part of the state (established centres like Mumbai and Pune)

and non-availability of higher education in other parts, signifying the regional educational disparities. Further, while girls generally opted for a B.A. or B. Com degree, there was a concentration of engineering, architecture, and pharmacy institutions in Pune and Mumbai, with a wide chasm in the quantum of 'seats' available, extending into 'seats available under reservations for girls'. It was also observed that in these established centres there is greater utilization of women's quota resulting in more engendered participation in professional courses. Within this, open category shows better inclusion of girls compared with the reserved-categories. In the reserved category, a large chunk of the seats meant for girls is transferred and filled by boys in the reserved category, due to inadequate girl applicants. She further pointed out that the high-cost factor has been a deterrent in allowing girls to pursue professional courses. Therefore, from a macro-perspective, while the bias against educating girls may have been tackled to an extent, the bias against investing in them continues to prevail.

Reviewing the journey of girls' education in India; Prof Sahni pointed out that while we have traveled a long distance from non-inclusiveness in higher education, but how close are we to a state of inclusiveness remains debatable. The progress is hierarchical, built on inter and intra-regional disparities and skewed faculty-wise segregations. If education is a signifier of development, it should incorporate a gender perspective into it. For just as there may be growth not translating into development; there can be educational growth not amounting to much female inclusiveness.

## Missing Link Between Female Educational Attainments and Labour Force Participation

### Dr. Anagha Tambe

Professor, Savitribai Phule Pune University



Dr. Tambe proposed that there is a missing link between increased participation of girls and narrowing gaps in higher education and very low participation of women in the workforce. In absolute numbers, the work participation rate, when compared to global standards reveals, a very low work participation rate and gross enrolment ratios for India. The discourse was framed within this Indian context. She reiterated the need to focus not only on gender but its intersection with other interlocking discriminatory structures in India. This may be the key to understand this missing link between two contradictory phenomena.

Quoting data from the National Sample Survey Organization (NSSO) and the University Grants Commission (UGC), she pointed out that presently 42 percent of those who are in higher education are women. She then drew attention on disparities among women from different social groups.

Amongst upper caste, the Gross Enrolment Ratio (GER) of men and women are almost equal (31.7 percent and 31.3 percent respectively). However, for SCs women in urban areas, it stands at 12.5 percent compared to 4.3 percent for her rural counterpart. For rural women under BPL it is 1.1 percent. She emphasized that while there exists some variation amongst men, the disparity among women from different states is relatively wider. It was further observed that 78 percent of girls were enrolled in general education (Arts, Science and Education), 30 percent in professional

education and 20 percent in engineering. Such segmental disparities cannot be ignored.

Dr Tambe referred to Sociologist Mary John's findings wherein states like Punjab and Haryana have recorded the highest increase in women's participation rate in higher education. This is seen as a paradox, given the fact that these states have also registered very adverse sex ratio and high incidence of sex selective abortions. She therefore, underlined need to develop the understanding of this situation.

In terms of the work participation rate, it was observed that 15 percent of women work in the paid sectors, while 85 percent of them are engaged in domestic work, which is not just limited to cooking and cleaning and childcare, but also includes work in the subsistence sector. Socially, it may be defined as domestic work, but production is involved in such work.

Dr Tambe further registered her observation that the work participation rates are exactly opposite to participation rate of girls in education. She further predicted the possibility that those who are missing in higher education may actually be the ones who are in paid work, however, highlighted a need to develop holistic understanding of the issue.

She further stated that the paid work empowers women and therefore more women should get opportunities of paid work, while in some sections of the Indian society, women in paid work are considered as a stigma to the family. Hence,



women are withdrawn from the paid work, however, the unpaid work does not offer dignity and empowerment to women. On the other hand, women from tribal or Dalit communities joined paid workforce out of necessity, rather than to have dignity. Dr Tambe ended by stating “We must ask ourselves why education has been normalized instead of being normative”.

### Teach for India panel

The Teach for India (TFI) Panel:

Mr. Tushar Jha, TFI Fellow

Mrs Tanuja Benke, Principal

Ms Anjali Pardeshi, Assistant Teacher

Mrs Sarita Singh, a member of Parents' Association

Mr. Abed Sheikh, student from VIII class



TFI panel talked about the changes they introduced in the education provided by the organization and shared the associated experiences and outcomes.

Mr. Tushar Jha, a TFI Fellow spoke about his association with the Pune Municipal Corporation (PMC) school in Vadgaon Budruk. He informed about the two-year fellowship which places graduates from different backgrounds in low-income English medium schools with the objective of closing the learning gap between students coming from varied income groups. The long-term vision is that poverty should not determine destiny. He additionally informed that during the first year, the TFI fellows try to develop understanding of the context of the classroom from the perspective of both students and their parents. In the subsequent year, they work towards thinking about community level problems.

Synthesizing his learning outcomes from the fellowship, he asserted that the school is the basic unit for change, as these students will be the agents as well as the subjects of any sort of development that we envision for the future. He further underlined his realization that the entire community is responsible for raising a child. It, therefore, requires a multi-stakeholders approach, where different stakeholders (parents, principals, and students) come together and try to solve problems of the community.

Mrs Tanuja Benke, the principal of the school, highlighted key priorities related to the school and

some challenges that a PMC school might face. The priorities included were:

- i) To focus on training, planning and activity-based learning of pre-primary section, as it is laid at the doorsteps of the primary school.
- ii) To focus on training and professional development of teachers, with the cognizance that the effective and motivated teachers and a good team of teaching and non-teaching staff, are the most important factor to share a transformational school.
- iii) To focus on learning outcomes and leadership skills of students for their all-round development. In this regard, students' council and house system can be initiated, while encouraging students' participation in national and international competitions.

Speaking of the struggles that a PMC school faces, Mrs Benke pointed out that infrastructure was the topmost concern. The school did not have a building of its own and was required to share the premises with a Marathi medium school. This led to struggles for basic things like classrooms, libraries, and laboratories along with the challenge of coping with absence of separate toilets for girls. Funding was another key concern. Insufficient number of permanent teachers, frequent breaks in the service of some teachers poses administrative challenges, in addition to a load of administrative and clerical work on teaching staff. However, she praised her team for their committed work to achieve the vision despite many such hurdles.

Mrs. Anjali Pardeshi, one of the senior most teachers shared her views and explicitly highlighted that all teachers were keen on learning, and they tried to become better teachers with experiential learning. The teachers were encouraged to undergo various training for example-LIFT (Leadership Institute For Teacher) run by Thermax, which changed their vision for teaching and brought about the realization that teaching was basically leadership.

The training teaches how teamwork, leadership, self-awareness, and professionalism are important in effective teaching. Mrs Pardeshi added that the one-year program is followed by peer observations and learning. This involves all teachers observing each other's lesson, providing feedback to help develop skills allowing room for different perspectives and strategies. The teachers and headmasters are also undergoing training with Indian School Leadership Institute (ISLI). Another project successfully started at the school involved parents inside the classroom, with the objective to seek their help in developing a curriculum. Engagement of parents is highly important as certain skills can also be passed over from the parents to the students – thereby parents could provide the much required vocational education to students and act as a good substitute to getting external experts for vocational training.

Mrs. Sarita Singh, one of the parents spoke of the important role of parents, especially that of a mother in her child's education. She stated that parent's aspirations for their children exceed what they may have achieved in life. She, therefore, reiterated the fact that good education

is a primary concern adding that home is the first school and mother is the first teacher. She also said that many parents find it a challenge to send their children to school for economic reasons and some of these children are made to engage in labour. Therefore, she stressed on how parents should play a more active role in the child's education by spending more time with them, following with their school work and meeting with their teachers.

To highlight the point of innovative pedagogy in learning, a student, Abed Sheikh of standard eight talked about how his class which is made up of only boys, discussed the worrying sign of adolescent children who were growing up with the wrong idea of masculinity. He highlighted how his teacher Mr. Jha launched the project 'Him for Her' in his classroom.

Speaking about this project, the student said that it was inspired by Emma Watson's speech at the launch of the UN Campaign 'He for She', wherein there was a calling for men and boys towards a gender equality movement. Abed's class was confused, as the class felt that gender equality is a project for women and not men. The project 'Him for Her' in the school was carried out in seven stages over a span of three months. "The Mask We Live In", was a part of the first stage. This included role plays, case studies, etc. The objective was to understand how gender equality affects both men women. For example, boys are expected not to share their emotions because they are required to project themselves brave and strong. This leads to an emotional pile and may result in aggressive outcomes.

The next stage was "Beyond Pink & Blue" and was

about breaking stereotypes like boys should not cry, have nail polish or should not do housework. These are assumptions by the society that are not true. They just make life difficult for a common man.

The stage to introduce “Consent was hard to understand for Abed's class, therefore a lot of strategies and role play was employed. The movie “Pink” was shown to help them understand the perspective of 'consent'. This stage was about permission. Whether the no is said laughably or in anger, it has to be taken as a no.

After all the seven stages, Abed's class interacted with people in society, educating them regarding gender equality and about feminism. They discovered that society at large believed in gender equality but did not have the similar thoughts with respect to feminism. The students got to learn that 'feminism' as a term was highly unpopular. Abed pointed out that the community understood the term 'feminism' as being anti men. He then went on to explain how the class understood 'feminism' which is about equality for all genders in all spheres - social, economic and political.

Another stage was to understand the rights of Lesbian Gay Bisexual Transgender (LGBTs). Abed's class today understand the rights of LGBT and the fact that they are also human. Before the intervention, the boys would make fun of them. The class was sensitised about the rights of LGBTs

and took a pledge to respect them as they would respect others. They also pledged to become feminist.

Mr. Sheikh spoke of other projects concerning sharing learning within the community. One such project being Guftagu or the art of storytelling. He highlighted how such a session is arranged fortnight to encourage the community to share their stories so that the community people come to share their stories and inspire others.

Another project Ummeed, provided a platform for mothers and housewives, to help make them independent, self-sufficient and comfortable. The project involves creating a learning circle, which would regularly meet on Sundays to discuss and share their skills in varied fields. This resulted in positive learning outcomes for a community as a whole. It was envisaged that in the future, there will be marketing, production, and financing of such projects, where fellows and students would seek to share their entrepreneurial spirit with parents and adults.

# Plenary Track III: Sustainable Cities

- **Urban Governance and Policies**
  - Dr. Partha Mukhopadhyaya  
(Chairperson), Senior fellow, Centre for Policy Research
- **Strategies to Address Vulnerability**
  - Dr. Vanesa Castan Broto  
Lecturer, Bartlett Development Planning Unit
- **Civic Innovation and Citizenry**
  - Dr. Anant Maringanti  
Executive Director, Hyderabad Urban Lab
- **Linking Financial Strategies and Sustainability**
  - Dr. Ravikant Joshi  
Advisor, Janaagraha Centre for Citizenship and Democracy, Bangalore

## Putting Sustainability in Context

### Dr. Partha Mukhopadhyaya

Chairperson, Track III  
Senior Fellow, Centre for Policy Research



#### Importance of Capacity Building

Dr Mukhopadhyaya illustrated the mismatch in India in terms of the growth of cities and the growth of capacity-building to manage the cities. Of 25 fastest growing cities in the world 8 are Indian; the next highest number comes from China which has 3 cities on the list. In this situation of rapid growth, a number of decisions are being taken and some of those decisions are those we will have to live with for a very long time. In making these decisions, what kind of support do Indian cities have? Shenzhen, a city which has grown the fastest in China over the last 30 years, used to roughly have about 300,000 people around 1980-85. Today, the city has 20 million people. Commensurately, when Shenzhen was formed the planning division of Shenzhen had about 15 professionals; today the planning division of Shenzhen has 500+ professionals. In contrast, India in totum will not have 500 professionals working on cities. Here, there is even a lack of recognition of the need to invest in the capacity of decision making.

These decisions are taken by the state. The state, being the elected body, can convene all stakeholders in the process of decision making. It is imperative to note that upon comparing the government expenditure to GDP ratio of India,

China and the United States of America; it is highest in USA, then China and lastly India. Also, the number of government employees in India which has 4 times the population of the USA is less than the number of government employees in USA. The state in India, particularly the ULBs, lack capacity for decision making.

#### Waste and Sustainable Cities

The separation of the maker and acceptor of decisions is another challenge. This can be seen in decisions related to Public Private Partnership (PPP) model of waste disposal. Most PPP contracts on waste management give pay-outs on the basis of the amount of waste that is delivered to a landfill. This kills any incentive to do waste recycling. But, a potential contractor will want a contract like this where he/she does not have to worry about segregation or recycling. The volume of waste is sometimes maximised by even mixing construction waste, which is heavy, with the waste that is supposed to get into a landfill. In contrast, SWaCH (Solid Waste Collection and Handling) model in Pune is an ideal model for waste management in cities. This model has door-to-door collection, segregation and recycling before waste goes into the state's system of sanitary landfills. This is an institutional innovation that marries the benefits of formal employment with the need to minimise the amount of waste that is wasted by organising waste pickers. Should decisions regarding waste management be made by people in the city who generate the waste and also benefit from its recycling or by someone not from the city seated in the state capital and is bothered only about a contract being signed so that he/she can check the box and go on to the next item to be decided. It is at such levels of gory detail that governance, sustainability and livelihoods collide. The structures of cities are decided in such often ignored details.

#### Procedural Justice

While globally, riverside areas are considered

prime property, Indian cities with the remarkable exception of Kolkata want nothing to do with their rivers. Ahmedabad is now trying to recreate a very large swimming pool in order to make it look like a river; to bring back a riverside view to the city. In Delhi, the Yamuna is in such an awful condition that no one wants to live there. There used to be large formal settlements along the banks of the river called 'Yamuna Pushta'. Although the pollution in the Yamuna is not caused by these settlements, the highest court of the land decided that it was the case and that no construction should be on the river bed. Settlements that were there for about 25 years were erased to the ground in one day. There was procedural legitimacy – it passed through the governance structures, it went to the courts and people might have even accepted this. But soon thereafter came the irony of building the Commonwealth Games Village and the Akshar Dham temple on

the same riverbed from where people had been evicted, only, it was on the opposite side of the river. Such incidents, although procedurally fair erode procedural justice.

### **The Elements of SDG 11: Sustainable Cities**

SDG 11 can be decomposed into three broad issues:

- i. Services like housing, basic amenities, transport
- ii. Planning a city with respect to its region and
- iii. Preserving the cultural heritage of cities, which is particularly important in Indian cities.

Looking at these three broad areas, the crux of the issue is the process of negotiation, who is at the table and who is not. Is the city inclusive, sustainable and resilient? Is the solution developed going to include people, and is it going to survive for a long time?



### Dr. Vanesa Castan Broto

Lecturer, Bartlett Development Planning Unit, University College London



#### Matching ambition with reality

Dr. Broto began by affirming that the world has realised the importance of cities and global platforms now discuss how these cities should shape up. The Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 has a goal specifically for cities - SDG 11 is to make cities inclusive, safe, resilient and sustainable. In 2016, at the Habitat III conference in Quito organised by the United Nations and coordinated by UN Habitat, governments and parliaments from all over the world agreed on the new Urban Agenda. This Urban Agenda sets the basis for thinking about cities that leave no one behind. Equality, inclusion and a just future which is part of the way we have to look at sustainable cities is very much a part of the SDGs and of the new Urban Agenda. But, these Global goals are completely separated from the realities on the ground. Thus, work has to start on the one hand by understanding that sustainable development is always closely linked to the questions of justice and on the other hand understanding what is really happening on the ground. So we look at what is really happening in our cities and what are the cities doing to deliver sustainability.

#### Just Sustainability

A framework that informs our thinking about sustainable cities is one that is called 'Just Sustainabilities'. It is a framework that comes from Romans and has been advanced by Professor Julian Agyeman and by planners

across the globe. It is a global agenda of how to go

about Just Cities. This is not saying that there couldn't be better ideas elsewhere, but it is a series of principles that constantly and consistently appear in different planning practices and they represent different aspects of the sustainable practice. Just Sustainability is a means to bring together Environmental Sustainability and Social Justice and it is often articulated around four principles:

- i) Wellbeing & quality of life: There can't be sustainability without addressing wellbeing and the quality of life.
- ii) Keeping future in mind: The second principle, already embedded in the Rio declaration of 1992, is that sustainable actions need to meet the needs of present and future generations. It has to look at the future long term prospects while also noting how justice happens across the present generation.
- iii) Procedural Justice: It is not just a question of wellbeing or future generations but it is also a question about how decisions are taken and who is recognised in the process of decision making? Is the process participatory? How are the outcomes of the process distributed?
- iv) Environmental limits: It puts the idea of environmental limits at the centre of delivering sustainability.

#### How Just Sustainable are we currently?

Dr. Broto introduced her study on 230 cities across the world, the list including all regions, global cities, mega cities and also smaller cities, to understand how far 'Just Sustainability' is already



integrated in practice. Studying the key initiatives taken to deliver sustainability to its citizens in these cities, 400 sustainability initiatives were compiled. The initiatives spanned all kinds of sectors. Cities were delivering sustainability in the waste sector, transport, sanitation, land use planning, housing, energy, ecological protection, biodiversity, creation of green spaces, eco-cities and air pollution. There were also several initiatives concerned directly with climate change and mitigation. These weren't just government initiatives but they were also initiatives delivered by other sectors. Around 55% of the initiatives were led by the city authorities, around 7% of the initiatives were delivered by the government ( a case of national or regional governments intervening in the management of cities), 24% of the initiatives were delivered by civil society organisations such as NGOs or community networks and around 14% of the initiatives were business initiatives and these do not exactly correspond to Corporate Social Responsibility or with initiatives that improve the products of businesses or that kind of plans but rather initiatives whereby the businesses are trying to intervene in the cities other than the provision of services or provision of infrastructure.

Examining these initiatives revealed that 28% of the initiatives address wellbeing and quality of life directly, 18% of the initiatives express concern over the present and future generations including short and long term planning, 18% of the initiatives introduced explicit measures to deliver procedural justice and outcomes and 7% of the initiatives recognise ecosystem limits central to the delivery of sustainability. These numbers get much larger if you consider not just the initiatives which address these principles directly but the

initiatives which consider them indirectly. Indirectly affecting the principles mean that the central objective of the initiative may not address the principles but they are addressed indirectly because of the way the initiative is presented. In that sense, 62% of the initiatives address wellbeing and quality of life, 70% of them indirectly address the needs of present and future generations and 55% of them address ecosystem limits as central component of delivery of sustainability. Unfortunately, very few of these indirectly address procedural justice.

### Urban Initiatives- Strengths and Faults

From the study, one can draw two major conclusions. Firstly, these principles are not utopian when thinking about sustainable cities. They are very real ideas that people are already considering when delivering sustainability agendas. But secondly, there is much ground to be covered in integrating the principles into urban practices. Local governments find it relatively easy to deal with the wellbeing and quality of life and the needs of the present and future generations in delivering sustainability practices. But they find it more difficult to think about procedural justice and participation; even though it is now well known that participation is the best way to address sustainability. Also, environmental limits are not central to environmental thinking and are hardly addressed directly.

Upon studying the extent to which these four criteria were addressed simultaneously by the initiatives, it is found that none of the initiatives address the four criteria simultaneously. Often, an initiative that made a lot of emphasis on wellbeing and delivering quality of life may not address concerns of ecosystem limits. The world

needs to not just address each of these four criteria independently but also find synergies so that both environmental concerns and social justice concerns can be addressed simultaneously with other concerns.

### **The promise of a brighter future**

An optimistic message coming out of this research is that there is a lot of sustainability action on the ground and there are many ways the demands of the new Urban Agenda and the Sustainable Development Goals are already being met. But at the same time, there are deficits that could be addressed locally around the world. There is also a lot of potential in what different actors from local governments, businesses, civil societies, national governments, international agencies and universities do; many a time without making much noise about it. A lot of actions go under the rug and a lot of actions are being delivered in very concrete settings without necessarily being promoted as the latest sustainability initiatives. Often, sustainability is linked to actions in the neighbourhood like improvements of infrastructure, delivering of green spaces much more strongly than with delivery of very advanced technologies or 'ecocities'. So, looking at improving sustainability in our everyday lives and collaboration of different actors for affecting daily life maybe a more effective strategy to deliver sustainability and to deliver cities which provide quality of life.



## Dr. Anant Maringanti

Director, Hyderabad Urban Lab



### Adding Perspective to our cities

Dr. Maringanti began by using an image that came out of research at the Hyderabad Urban Lab and works as a mnemonic to the number of issues that the Lab struggles with. The image helps in addressing issues such as- How to think about, how to articulate, how to put into words and how to measure Urban Development and further instigates the Lab to modify the image. The image shows what we normally understand as Urban Infrastructure: the buildings, the roads, the flyovers etc. and largely men (and sometimes women) working in the formal sector. But below that, holding up the scaffolding are a number of people who are constantly doing the suturing work. They are the ones who make the connections happen and make the tiny little joints and processes work so that the entire scaffolding actually stays up there. So, in some sense if one goes back to the meaning of Urban Infrastructure as the scaffolding upon which things can happen, then the real infrastructure is the people in the lower half of the image. Thinking about sustainability is a challenge especially from the point of procedural injustice or procedural legitimacy, because how does one try and bring in perspectives from people who are below his/her line of visibility. Their existence is invisible and don't get counted leaving us not knowing what is worth asking about our cities.

### Understanding inequality

Firstly, Dr. Maringanti explored the theme of waste generated in cities and how it affects everybody especially in the cities. Cities are where large quantities of waste are generated;

and all cities concern itself with waste in the interest of sustainability, growth and environmental wellbeing. Waste has zero value and for urban managers it is something that has to be managed or put out of sight- that's the first goal. In Indian cities, there is much value that is pulled out of it; that even when waste is discarded, a large number of people extract value from that. In terms of economic theory, it is a very complex economic and space related process- which involves people picking up waste, trying to determine its value, move it, process it, put in labour, move it through infrastructures and then step-by-step it moves up the value chain until at some point it becomes part of the formal economy again. It is a chain where the rag picker picks up the



paper, goes to the kabadiwala, from where it goes to somebody else and so on till it enters the paper mill. In this particular, all the people below are women, but it doesn't necessarily have to be women; it could be migrant workers, it could be someone but they are all people of low value. One of the things to perennially ponder is whether inequality is a problem because it hampers growth or is inequality a problem in itself? Is lack of dignity for people like this a problem in itself or is it a problem for the economy and economic growth? Looking empirically, one may conclude that according a lower dignity to them is good for the economy. It makes growth and thereby profits possible. There is a fundamental problem here that is not thought about and cannot be thought about only in terms of economic value. One has to think about it in terms of dignity, in terms that we do not quite know how to theorize as of now. How can we understand dignity, injury, humiliation etc. in terms of economic theory? That is the work that needs to be done.

The value of an image is that, it keeps everyone constantly at something that touches them emotionally and it stays in their mind. It is important to remember that everything around us is somehow conspiring to make us forget and erase the reality. 'Nazar andar karna' and 'neeche dabana' are part of our cultural upbringing. Social scientists and technologists have to be guarded against this and make their own tools, and neo-cultural productions for sustainability to even become imaginable.

### **Civic Innovation and Citizenship**

While it is possible for people to make collective claims in the name of being a worker through trade unions for example, a large number of people in the economy today are ones who cannot be called workers as they don't have a wage

contract. They seem to be independent contractors or entrepreneurs or producers of their own. So, in that sense we don't know how to locate them, collectivise them and in what name to make claims. This is the big challenge that civil societies face today, which we try to resolve by calling all of it community and making claims in the name of community without quite knowing what that community is. In a slum with ten thousand people, one finds 15 different communities and hierarchies within it. How does one organise this extremely complex system of hierarchies to make one single claim? So, somewhere within the processes in the city, the collective claim making has taken a big beating. In what name, in whose name, in what exact geographical or historical context, by pulling what kinds of memories from where, by counting what kinds of numbers, can we make these claims. Once everyone starts working towards that, the question of sustainability will resolve itself.

In conclusion, sustainability cannot be a scheme that is offered by someone. It simply cannot be a scheme that is designed in some headquarters somewhere and then sent off everywhere to be delivered in custom made forms. It has to be something that addresses questions of equity; it has to be something that addresses questions of environmental wellbeing. Why is it that there are particular kinds of people who are associated with risk vulnerability, with a lot of double, triple and even multiple vulnerabilities that get heaped on particular groups of people? These can be figured only by digging into the specific contexts. Remembering that everything around us is trying to push us to erase the uncomfortable truth, we need to realise that growth by itself is not a goal for us.

### Dr. Ravikant Joshi

Advisor, Janaagraha Centre for Citizenship and Democracy, Bangalore



#### Finance- An Enabling Factor

Sustainable cities require sustainable financing strategies. The finance may not bring sustainability, but it is an enabling factor, or in terms of management theory it is a maintenance factor. Not addressing it will have negative externalities or a negative trade-off. So, sustainable financing strategies may not ensure holistic sustainability but if absent it will derail the movement towards sustainability.

#### Are the Goals Achievable?

Dr Joshi questioned whether India will be able to achieve the target of Sustainable cities by 2030. Unless we change the way we are unsustainably financing our cities, it is highly improbable that we reach this target. The Economic Survey has some welcome ideas even when the Union budget was not much in favour of 'urban'. The Survey talks about two things:

- i) Cities like states must compete with each other to unleash dynamism. Competitive federalism in India must beget competitive sub-federalism.
- ii) Cities should be entrusted with responsibilities, empowered with resources and encumbered by accountability.

But these are the exact things that are missing with Indian local governments.

#### The Five Urban Finance Issues

Dr. Joshi outlined five major issues in Urban Finance that are hurdles to sustainability.

- i) There is a shrinking financial space of municipalities as cities are increasingly

financed through national level resources rather than locally raised resources. It is impossible to have double digit economic growth unless urban infrastructure issues are solved. So, there has been project based funding since 2005 from the central government.

- ii) Growth of cities is resulting in cost exportation. Just as the ecological cost of the city is not limited to its area, the financial cost of cities is spilling beyond its benefit area.
- iii) Urban Local Bodies (ULBs) are not augmenting their own resources as they are not empowered. The Economic Survey has rightly pointed out that we haven't empowered our cities with resources; ULBs are not leveraging the resources they have as they are being spoon-fed. Of the 1,40,000 crores that have been commissioned for 60 cities under the Smart City plan, the cities will be funding 5%. 95% of the money will come from the centre. Also, the direct beneficiaries of the proposed plans will only be 8% of the population of these cities and 3.5% of the physical area of each city. Also, the 100 smart cities constitute only 20% of the total urban population. Even if Smart Cities succeed, the success will be exclusive and it would take another 50 years to make these 100 cities sustainable by global standards.
- iv) Inability of the ULBs to absorb the funds can be seen clearly with JnNURM. Cities have failed to absorb in the 7-year time limit even 50% of the money allotted. The same would be the fate of AMRUT and Smart Cities.
- v) Absence of a financial accountability

framework (like an FRBM) is leading to wasteful doling out of funds from the exchequer. The unprecedented project based devolution from the central/state government with nil or very soft budgetary constraints leads to a lack of accountability. Ignoring procedural justice or equity it is hoped that the cities and urban infrastructure problems would be solved because of the money being pumped in.

In conclusion, financial sustainability will not achieve sustainable cities in holistic terms because there are ecological, political, social and cultural aspects to sustainability. But, if financial sustainability is not ensured it will place impediments to achieving sustainable cities.

# Plenary Track IV: Jobs and Economic Growth

- **Economic Growth and Employment Generation**

- Dr. Rathin Roy

- Chairperson), Director & CEO, National Institute of Public Finance and Policy

- **Macroeconomic Imperatives to Sustainable Growth**

- Dr. Sajjid Chinoy

- Chief India Economist & Executive Director, J.P. Morgan

- **The Jobs Conundrum**

- Dr. Rajat Kathuria

- Director & Chief Executive, Indian Council for Research on International Economic Relations (ICRIER)

- **Strategies for Employment-oriented Growth**

- Dr. Andreas Bauer

- International Monetary Fund's Senior Resident Representative for India, Nepal



## Economic Growth and Employment Generation

### Dr Rathin Roy

Director and CEO, National Institute of Public Finance and Policy



Dr Rathin Roy expounded the relationship between employment and growth by talking about the factors of production in an economy. When the economy is not employing all factors of production (including labour) optimally due to frictions in the system, the government can intervene to stimulate its use at the margin. But if the economy is consistently not using available labour, where it is not able to absorb them using current stock of other factors of production, technology and productivity and also, these are constant, there is nothing to be done about unemployment and the nation has to live with it. But economics provides another solution that the government can redistribute money to people such that it ensures a certain level of income for consumption. So, there is a distinction between having a job and earning money and having an income. One can have an income with or without a job.

While job creation is not really the subject of most economic theory; friction at the margins and segmented markets are market failures which are an economist's concern. If there is a market failure in India, it must be of catastrophic proportions; but the unemployment rate in India even by the most ambitious measures is just 6 percent. Unemployment rates measured in developing countries tend to be low, which doesn't mean that people are employed gainfully, productively or even in a secure fashion. This indicates that the problem of unemployment is textured, something SDGs don't take into account being global goals. This ignores a lot of sociological complexity that international organisations are not equipped to deal with.

Productivity and innovation are very important in this context. Both are triggered by a desire to make more money in a market economy. In the calculus of making more money, one decides the kinds of innovation that will enable them to use less factors of production to produce the same output or the same factors of production for better and therefore higher priced output. These in turn have implications for the returns to those factors of production like labour and capital. In orthodox economics, innovation was thought of as important only when all factors of production had been exhausted and the economy was near steady state equilibrium. But now, there is enough evidence through the use of dynamic models to show that it is not true.

The only time in history when market economies solved the puzzle of unemployment and growth was between 1950 and 1970 when a number of economies that used increased amounts of labour and capital more productively resulting in increasing the prosperity of the masses by making sure that real wages went up consistently more or less in line with or slightly below productivity, making the process virtuous. So, the welfare state's interventions were limited when it came to compensating people for not having an income. And that happy state of affairs more or less ended in those countries (Western Europe and Japan) in the early 1970s. While in the history of contemporary capitalism we have had virtuous outcomes where growth increased productivity and employment, that was not to happen for all times to come and the welfare state came under pressure and was tasked to do a lot more.



Government is to blame for not practising what it preaches. The government of India offers lowest productivity and least innovative employment that is secure, even when it is employing a large number of contract workers to do the manage the important work segment and they are in charge of framing policy.

He concludes by talking about the three key lessons learnt and about the crisis of being a labour intensive economy.

i. Although India is a labour intensive nation and has comparative advantage in such sectors, Indians don't want to work in these sectors. Jobs cannot be provided by trading-off growth. Also, as growth has to be sustainable, expenditure cant be undertaken just to create jobs. Else, a simple solution would be to hire more employees into the government to provide jobs. During war, everyone is fully employed but that is neither sustainable nor is it efficient.

ii. India is a big country and while we need to produce for ourselves, we also need to export. A lot of regulation needs to be cleaned up and the education system needs to be reformed. Our education systems were historically better simply because we were not at scale. Failure to impart quality education at scale is a barrier to jobs.

Innovation happens in a fragmented and chaotic structure. Although there is innovation happening here and there, there is no systematic innovation happening.

## Macroeconomic Imperatives to Growth

### Dr Sajjid Chinoy

Chief India Economist and Director, JP Morgan Chase



Looking at the last 12 months around the world from Donald Trump to Brexit to Marine Le Pen, the world is in an existential crisis. Sustainable employment and sustainable job creation is a function of various forces like open borders and immigration to increased automation and the lack of it is the fuel that drives the earlier mentioned phenomenon. The cost of capital has been beaten down considerably around the world making production techniques very capital intensive in the last 5-6 years. While it is good for returns to capital, it isn't for sustainable job creation. India is no exception to this global trend. Despite being abundant in labour, growth in the last 10-12 years has come mostly from the capital-intensive sectors such as engineering, pharmaceuticals etc. It is known that sustainable economic growth is a necessary if not a sufficient condition to create jobs. But, the fact that the production techniques have become more capital intensive suggests that the perceived costs of labour is even higher.

Dr Chinoy made three central points about sustainable growth, particularly in the case of India of the last 15 years:

- i. There is no trade-off between growth and macroeconomic stability. Every time we step on the growth accelerator, it comes at the cost of macro stability and the growth is not sustainable.
- ii. When growth has been driven by investment in India it has been sustainable but growth that has largely been driven by consumption or exclusively by consumption quickly spills over into external and internal imbalances and is not sustainable. Growth has to be something driven

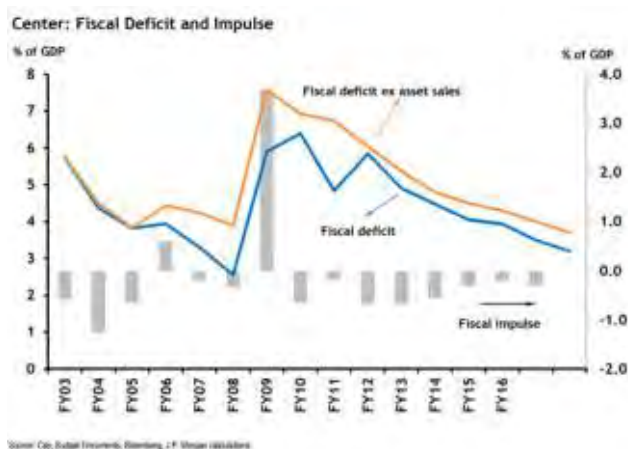
by capacity creation, by supply and growth that does not come at the expense of macro stability.

- iii. We are currently in a dangerous world that is always looking for new growth drivers.

No trade-off between growth and stability

The growth in India since the 1980s has had a boom-bust cycle where there have been booming growth in the mid-80s, the mid-90s and early 2000s which then gets choked off. To be fair, a lot of the shocks India has experienced came from external shocks; in the 1990s due to the Asian financial crisis and in 2007-08 with the Lehman Brothers crisis but some of these shocks have been self-goals where growth was driven by unsustainable processes at home. Notably, the fiscal deficit has been India's Achilles heel; it was seen in the 1980s and again after the Lehman crisis. In 2010-12, India tried to spur growth at the cost of macro stability and ended up in tears. Looking at India's fiscal deficit in terms of the IMF's standard definition where asset sales are taken out to get the true fiscal impulse, we find that India had a massive fiscal stimulus in 2007-08 (see Figure) because we were worried that the consequences of Lehman were going to be so dire and a counter-cyclical response was needed. But fiscal deficit has still not been brought down to pre-Lehman levels. This was because an economy that was operating at close to full employment had a huge fiscal stimulus and inevitably inflation began to rise. Thus, inflation which was non-food, non-fuel was averaging around 4-5 percent throughout the 2000s.

There were other factors as well; global



commodity prices went up, but it was compounded by the fact that monetary policy was stimulative. The poor monetary policy manifested itself in real interest rates that households faced, running at (-)10, (-)8 and (-)6 percent. So, households did the right and reasonable thing and did not invest in financial assets and bought gold, physical assets and real estate. This meant that the imbalances quickly spilled over externally. And by 2011-12 India became the founding member of the Fragile Five Club with a current account deficit at 5 percent of GDP, twice the level widely regarded sustainable for India.

All this came to head in 2013 when Federal Reserve Chairman Bernanke spoke about tapering US assets which put pressure on emerging markets. India was the poster child of emerging market vulnerability and between January and September of 2013, the rupee was easily the worst performing currency in the emerging markets universe reflective of all the macroeconomic vulnerabilities at home. India wanted growth and jobs but ended up with a near BOP crisis in 2013. This shows that there really is no trade-off between macroeconomic stability and GDP growth.

Since then, policies have become more orthodox. Amongst the Fragile Five Economies, India has done the most fiscal consolidation in the last 3 years and real interest rates have become positive again. In fact, under the new monetary policy framework, real policy rates will be kept positive. The current account deficit which was 5 percent of GDP has come down to below 1 percent of GDP, though factors like lowered oil prices helped, the fact that both fiscal and monetary have become orthodox again has contributed to much narrowing of external imbalances and inflation has halved.

#### Tides of Change

After demonetisation, India needed a large consumption stimulus. However, the government deserves enormous credit for producing a very responsible Union budget. Expenditure had been cut by 0.7 percent of GDP which hadn't happened in the last 5 years. Current expenditures had borne all of that cut; capital expenditures are low but they had been maintained. This changes the mix of current and capital expenditures to some extent. Finally the revenue assumptions made by the budget are far more realistic and reasonable.

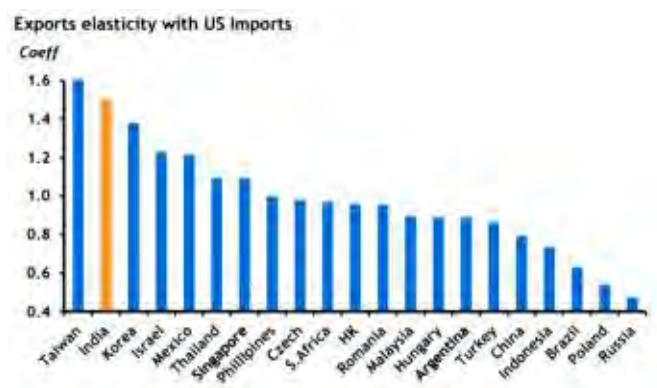
The second policy he noted was the monetary policy. Dr. Chinoy find that the biggest reform India had ever seen was not the GST but the fact that India now had a brand-new policy where with an amendment of the RBI Act, a Monetary Policy Committee (MPC) is set up whose goal is to keep inflation always below 6 percent and if missed for 3 consecutive quarters, they would be answerable to the parliament. Now, by statute we are controlling inflation.

Although the RBI never cut rates in the recent

quarters, the fact was that there was already a monetary stimulus underway. As demonetisation led to a gush of currency coming in, banks had slashed lending rates and monetary conditions measured them at a 2.5 year low.

Investment, not consumption

Sustainable growth in a country like India is possible when it is led by investment and not by consumption. India is fundamentally a supply constrained economy and India's problem had always been that we didn't have the supply response whenever there was a demand pressure from the public or private sector and this quickly spilt over into external and internal imbalances. In the mid-2000s India saw 6 years of 9 percent GDP growth, 4.5 percent core inflation and external imbalances that were negligible. Dr. Chinoy identified this as the Goldilocks combination of Macroeconomic policies where there is high growth without imbalances and this was because that growth was accompanied by very high investments. Investment as a percent of GDP rose from 22 percent in 2003 to almost 34 percent in 2010-11. It was a China like capacity creation and was led by the private sector. It ensured that India wasn't too reliant on external imports. Since then private investment has completely fallen off. According to the Economic Survey, India is bedazzled with a Balance sheet problem; non-performing assets in the banking system have seen a peculiar rise over the last 4 or 5 years. Investment is a necessary condition for sustainable growth and cleaning up the banking system is a necessary condition for sustainable investments. India needs some creative destruction to solve this. Mistakes will always be made and the nation cannot have a debt overhang over it for decades to come. Bold political



Source: JPM research

decisions need to be made and these bad debts need to be written down. The bank should be recapitalised and life has to move on. The longer you push the problem out, the bigger it gets.

Source: JPM Research

Although, India is regarded as a big closed economy driven by domestic demand; the celebrated 9 percent growth in the mid-2000s was in a period when exports grew about 17 percent in real terms. In the 1990s exports grew at 13 percent and domestic demands grew at about 5 percent. The high growth was possible only because of exports. The last 6 years post the global financial crisis, exports grew at only 5 percent. Growth is impossible if the main driver of growth that spurred it along is lagging. A study by J P Morgan that examines the impact of a 1 percent change in US import found that India was the second most affected country (see Figure) as a bunch of the IT and service exports go to the US.

Thus, growth and thereby jobs will come only with macroeconomic stability, investment and improved exports.

## The Jobs Conundrum

### Dr Rajat Kathuria

Director and Chief Executive, Indian Council for Research on International Economic Relations



In a market driven economy that does not have a social security net, unemployment created as the economy moves along is a challenge that can make or break the government. Historically in India, the public sector has performed well in employment and is evident with the Railways being the largest employer and the State Bank of India being second and both are looking at employing more people. The public sector is an employer of last resort disregarding the productivity or impetus on growth. The reforms of 1990-91 perhaps changed this and this change is still continuing.

If you have to get high growth, factors of production have to be optimally allocated. Paul Krugman wrote in 'Foreign Affairs' in 1996 an article "Myth of Asia's Miracle," wherein he argued that the Asian "Miracle" was a matter of putting in resources; more capital accumulation, more labour accumulation, more female labour force participation rates and thereby getting growth. East Asian economies grew at sustained rates of 9-10 percent over decades only through accumulation of factors of production. To break out of the cycle of accumulation of factors led economic growth, the key is innovation and improved productivity which are difficult. How to innovate and how to improve productivity is not clear albeit knowing that sustainable economic growth comes from it.

Understanding innovation and productivity in an Indian context is even more difficult. In the words of Joan Robinson, "Whatever you can rightly say about India, the opposite is also true". India is home to IT companies that are the best in the world with cutting edge technology, pharmaceutical companies that are innovating

and auto companies that are exporting to the rest of the world. At the same time, we have some of the most unproductive and fragmented manufacturing industries in the world. We have a very large informal sector that is also a large employer and some very productive companies as well. India has a clear challenge of exports slowdown; India doesn't have the environment that China enjoyed when it was on its growth path of relatively open markets as there has been a fall in global demand. Price Elasticity and Income elasticity of Indian exports is greater than 1 and so if income falls in the rest of the world, it will affect Indian exports.

A couple of stylised facts of manufacturing in the Indian context are:

- i. Labour participation rates are about 50 percent in a labour force of about 480 million and within that labour force, participation rate for females has been falling. Studies show that one of the positive reasons for falling rates of women participation in the labour force is that they're going back to school. There is also a difference between the rural and the urban sector in terms of labour force participation rates.
- ii. Secondly, there is a wedge between GDP growth and employment growth; even labour intensive sectors have not created jobs. India's traditional labour intensive sectors have been more capital intensive than they have been in other labour intensive countries like China or Korea. We need to create more jobs but manufacturing sector is more capital intensive, our Labour intensive manufacturing is more capital intensive that it should be.



When looked at Gross Value Added and employment creation, it can be seen that most of the employment accrues to the agricultural sector and the services sector is the dominant value adder but doesn't create enough employment. While India had high growth between 2004 and 2009, it was biased in favour of high skills intensive capital intensive sectors. This exacerbated the problem of inequality; more than half the GDP accrues from one percent of the population. The organised manufacturing sector within the manufacturing sector contributes to 80 percent of the manufacturing but employs only 26 percent of the people employed in manufacturing. There is heterogeneity not only across sectors but within the sectors like manufacturing which are supposed to be the job creators.

Failing to create labour intensive manufacturing jobs in India based on our comparative advantage of labour supply, has magnified inequality hindering social cohesion. According to labour economists, jobs create social externalities like

reduction of inequality, reduction of poverty and increased consumption none of which have happened in India. The question is whether to target the market failures and let the private sector do the rest or should there be a pointed industrial policy? The answer comes around to ways of creating jobs in labour intensive sectors through quasi-industry policies which India has already begun to adopt.

Using data from the economic survey Dr Kathuria showed that the sectors that create maximum jobs per lakh of investment are textiles, footwear, apparel and not the auto or steel industries. These same sectors served as the basis for take-off in the East Asian countries such as China and Taiwan too. Also, no country has been able to achieve 7-8 percent unless exports grow. Furthermore, if countries have to grow at double digit levels to solve problems of job creation and inequality, then it has to be driven by an export oriented competitive sector. No country can be competitive without exploiting the global markets.

Jobs to Investment Ratio for Select Industries					
Sectors	Investment (Rs. Crores)	Jobs (Lakhs)	Jobs per lakh Investment	Female Jobs (Lakhs)	Female Jobs per lakh Investment
Apparels (NIC 14)	3156	75.4	23.9	25.9	8.2
Leather & Footwear (NIC 15) of which	1624.5	11.6	7.1	5.5	3.4
Tanning and Dressing of Leather & Fur (NIC 1511)	470.8	2.2	4.6	1.1	2.4
Leather Goods (NIC 1512)	218.3	2.2	9.9	0.8	3.9
Footwear (NIC 1520)	935.4	7.2	7.7	3.6	3.8
Textiles (NIC 13)	17814.7	71.3	4	22.5	1.3
Food Processing (NIC 10)	21119	50.2	2.4	27.9	1.3
Autos (NIC 2910 & 2930)	29647.6	7.6	0.3	3	0.1
Steel (NIC 2410 & 2431)	70528.3	7.8	0.1	3.7	0.05

Source : Economic Survey 2016-17

There is a space being vacated by China in manufacturing as wages are going up and India could occupy it. Unfortunately, that space is now being occupied by countries like Indonesia, Vietnam and even Cambodia. Plans by Foxconn and Apple to invest large sums in India didn't materialise as the Indian state loathed giving concessions because it discriminates between sectors. There are an additional 5 million people every year that are being made redundant in the agricultural sector, as agricultural GDP is falling. This is an addition to people who will be seeking employment. We need to reform our labour laws like the Industrial Dispute Act in Rajasthan and a whole lot of other acts need to be reformed. Labour Law reforms create a barrier to exit and therefor create a barrier to entry and thus the insolvency court is also a welcome move.

We don't need to protect individual workers, we need to protect jobs. Make in India will depend on India's ability to create jobs. If there is anything that can “make or break” India, it is job creation. Creating these jobs require huge effort on the part of the government not only in the policy making but in implementation and building capacity in all levels of the government.

## Strategies for Employment-oriented Growth

### Dr Andreas Bauer

Senior Resident Representative for India and Nepal, International Monetary Fund



#### Jobs and Growth

Dr Bauer disclaimed that growth and jobs are a very big issue and economists actually know very little about it and so any solution by economists have to be taken with a grain of salt. It is widely accepted that growth is a prerequisite for job creation but it is not necessarily sufficient. And job creation is very important for social cohesion; but then again jobs and social cohesion are a requisite for growth. So, it is a sort of circular relationship between these issues.

The Commission of Growth and Development chaired by Michael Spence studied countries after the Second World War that had achieved for 25 years or more a growth of 7 percent or more on average, which is growth that doubles your income every 10 years and found the common characteristics of those countries to understand their success. The sample was quite diverse and looking at the countries in the sample today, we see that some made it and some didn't. Some of the countries that had very long growth spurts actually moved on and became advanced economies while others, Brazil for example, got stuck at some point. Clearly, this is what speaks of the challenge. While there are some factors that have been identified to be relatively common amongst these "miracle" growers, these common factors were not used in the same way everywhere and therefore these factors only have to be seen as an input. How to put these together

is a completely different process and each country will have to discover this by itself. They identified 5 big factors:

- i. The first is Macro Stability which is also the core work at the IMF.
- ii. Openness to the Global Economy is second. Economies that grew fast had imported ideas, know-how, technology; they used global markets when the domestic markets were small and opened up foreign investment as a tool for technology transfer.
- iii. Market allocation using prices is third, where resources were allocated according to price signals. This was not necessarily an absolute deference to 'Laissez Faire' but allowing market signals to play and reacting to these signals. Labour was also very mobile in these economies.
- iv. Future Orientation translated as high levels of investments and high levels of savings is the fourth crucial ingredient.
- v. A dynamic and pragmatic role of the government is the last factor. Government has to be oriented towards the long term furnishing important public goods, but should be willing to digress and change course. When you want continued growth for many years at a certain rate, most likely the recipe for that is changing over time. Policy making is an art



more than a science and the successful countries were willing to do that.

Dr Bauer drew from the IMF's recently completed annual report on India which looked at structural weaknesses. He compared India with other emerging markets and explained where India still has some catch up to do. The tariff rates are very high but they are also dispersed which is probably the bigger issue; and with trade facilitation, improvement is needed on how quickly India can export and what its costs are. Along with it are the inefficiencies in a goods market which are essentially barriers to competition. These factors are critical because ultimately these drive productivity; doing more with the same inputs one has is a crucial for high growth and high growing economies have had large productivity growths. Progress can be seen in the area of FDIs. FDI is relevant not only because it supplements domestic savings, but also because technology transfer takes place although the technology transfer by the FDIs has externalities. India has done a good job recently in opening up some restrictions, but it is a work in progress to attract more FDI.

Looking at household surveys over the last 15 years or so, on an average the elasticity of employment growth to real GDP growth is about 0.3 which is not very high compared to other countries. This number is smaller for China, but over the last decade China has grown at 10-12 percent and they created a lot of employment not because the economic structure helped but

because they were growing at a very fast level. Given an employment elasticity of 0.3 and a labour force growth rate of 0.9, to create jobs for new entrants, growth would have to be at about 3.1 percent which is not very ambitious. But, because of the presence of under employment and low labour force participation in India, growth rates of 7-8 percent are required to create opportunities for much of the population and that is the big challenge.

Growth-jobs link in India		2013
Employment (in million)		463.5
Labor force (in million)		481.0
New entrants (in million)		4.3
Employment elasticity of real GDP		0.3
Labor force growth rate 2004-13		0.9%
Real GDP growth to absorb entrants (in percent)		3.1
Real GDP growth to create 10m jobs (in percent)		7.2
Source: ILO (data based on National Sample Survey)		

One way to create jobs is to promote labour intensive sectors. It is a risky strategy because in policy making, work is done in a general equilibrium where one sector cannot be promoted without harming some other sector which is a tough and complicated choice. The conservative view is such that there should be no discrimination against sectors. The widely accepted idea is that institutions should not protect individuals but should protect and

promote jobs themselves which might be over different industries over time. Micro flexibility in employment protection rules and macro flexibility meaning that wages and prices can adjust to the economy is necessary.

Labour force skills are important too to increase the employability and ability of earning a higher wage as being more productive is key. In India, there is quite the bit of scope to do more. Education and skilling doesn't receive much attention beyond some verbal commitments. While India has some top-notch institutions, on average the quality of education especially primary education in India is much lower than many of the fast-growing countries. And this is a tough one to crack because investing in education takes time for results to be realised. Yet, if India is to grow for the next 20-25 years at 7 percent; investing in education and skill building is going to be a critical issue.

# Plenary Track V: Partnership for the Goals

- **Technology Facilitation Mechanism**

- Dr. Sachin Chaturvedi

- (Chairperson), Director - General,  
Research & Information Systems in Developing Countries

- **Partnership for Finance and Technology**

- Dr. Nagesh Kumar

- Head, United Nations ESCAP South and South-West Asia Office

- **Revenue Performance & Revenue Mobilization**

- Mr. Volker Treichel

- World Bank Lead Country Economist

- **Resource Mobilisation**

- Dr. Gulshan Sachdeva

- Professor, School of International Studies,  
Jawaharlal Nehru University (JNU)

## Technology Facilitation Mechanism

### Dr. Sachin Chaturvedi

Director General, Research & Information Systems in Developing Countries



Dr. Sachin Chaturvedi in his talk highlighted the importance of resource mobilization and the technology for the implementation of seventeen SDGs. He was of the view that each goal covers some sector with two cross cutting themes: one is finance and the other is technology and their relation needs to be captured. He pointed out that technology, in its broad perspective is an enabler moving forward with the implementation of SDGs. In this context, the implementation of Financing for Development (FFD) agenda is an important dimension and the process was discussed in the Addis Ababa Action Agenda in 2015. The Action Agenda discussed the triangular relationship between FFD, science, technology and innovation (STI) and SDGs. He highlighted the role of South-South cooperation for bringing in the necessary technologies vital for the implementation of SDGs. The important idea being how the medium and small enterprises, global value chains and FDI will bring in several forms of technology and how they enhance international cooperation for access to clean technology.

During the negotiations of SDGs, India proposed a mechanism for accessing technology through a platform which is now called as technology facilitating mechanism (TFM). The TFM is a collaborative multi-stakeholder forum on science, technology and innovation, supported through inter-agency cooperation and having online platform for information sharing

He further pointed out there was a sort of spanner which had come in the form of what was proposed in Istanbul Action Agenda where LDC's got a proposal for Technology Bank. Therefore, resources were now divided between TFM or technology bank, which is one major issue on TFM within the 2030 agenda.

India's concerns have largely been associated with ensuring access to right technology, availability of environmentally sustainable technologies, full-scale requirements and timely delivery. He cited the example of India's huge generic industry which is able to provide access to medicines, not only to the people in India but to other developing and least developed countries in other parts of the world and even developed countries like the United States. But this cannot be continued due to the requirement of new technology for SDGs. There is thus a disproportionate burden on developing countries presently, with respect to the implementation of SDGs due to the inadequacy of existing mechanisms and skewed international technology governance structure.

The UN inter agency task team, comprising of around 30 agencies has come up with a skeleton framework for addressing the above issue. However, certain key challenges remained: poor financial capacities of governments and private firms in developing countries, global regimes, including Intellectual Property Rights (IPR) and multiple and divergent institutions. The

systematic issues such as handling the fact that there are several UN agencies, Global conventions and LDC Banks is another major challenge in terms of addressing what was decided in the high level panel.

Dr. Chaturvedi pointed out that presently, the TFM has been structured at three different levels. They are:

1. The UN interagency task team (IATT) on TFM
2. The Global Technology Bank
3. UN regional Commission for implementing TFM.

The Tier 1, addresses the challenges in terms of leveraging the architecture and technology facilitation mechanism, trying to see how online platforms to design and manage the future models of TFM and their transfer. The Tier 2, tries to see how through the Global Technology bank - can assist acquisition, including licensing and commercialization related issues. While Tier 3 tries to see how the regional UN architecture may facilitate the process, for example, the Asia Pacific Centre for transfer of Technology in Delhi and this kind of institutional architecture can help to cope with issues. For example, the SDG 7 talks about energy and SDG 6 talks about water management and sanitation. While water purification is a major challenge, particularly in areas where pipeline water is not available, Indian Space Research Organisation (ISRO) therefore has come up with some new technology which solves problems across tribal areas. The water purification that ISRO has accomplished has been supplied to several Municipal Corporations in West Bengal and has been made available through TFM. It is

not only India's goodwill that comes in but the ability to ensure supply of clean water increases and this kind of voluntary contribution under TFM would enable not only India but many other countries to move forward on goal 6. This kind of regional architecture is among the continuing challenges that impact the quality and effectiveness of the technology. Some of the key issues related to TFM are:

1. Contribution that different countries are going to make
2. Building up of initiatives from the UN
3. The intellectual property related ownership with respect to inventor's rights
4. Social obligations
5. Institutionalising robust evaluation
6. Reporting mechanism

In the concluding point, Dr Chaturvedi highlighted ensuring resources made available irrespective of the channels. The larger ownership lies in terms of the ability to see how technology is cost effective and can be delivered to consumers. This is a very big challenge across all the 17 goals and it requires far greater efforts in terms of both indicators that are relevant with respect to technology, the date weight of patents and the whole intellectual property issues.

The World Trade Organisation (WTO) and India have already brought forth this issue in terms of agriculture and issues related to the industrial revolution. The focus is much on IP and the balance that have to be accomplished for expanding frontier in new technology.

## Dr. Nagesh Kumar

Head, United Nations ESCAP South and South-West Asia Office



Dr. Nagesh Kumar began his talk by emphasising on the remarkable progress on MDGs by India but despite this it remained an unfinished agenda. Performance across goals has been mixed for India. For example, India was able to reduce poverty by 50 percent in the first 15 years of MDGs. This in his opinion has given India the confidence that in the next 15 years under the SDGs, it is possible to eliminate extreme poverty. Therefore, with the experiences of MDGs, it has increased India's confidence towards attaining the ambitious agenda of the SDGs.

The SDGs are very relevant for India due to the largest concentration of poverty in the world. India also suffers from a number of developmental and infrastructure gaps and low levels of human development. Given India's weight in the world population and poverty, the world cannot achieve SDGs without India. The remarkable MDGs achievements was mainly driven by the success of East Asian countries, in particular China. Therefore, it is India's turn now to lead the world in achieving SDGs. Global partnerships will play an important role for achieving SDGs and implementing the 2030 agenda.

Focussing on goal number 17, Dr. Kumar highlighted that the global partnership covers factors like finance, technology, capacity building, trade, systemic issues and data, monitoring and accountability. The ambitious agenda of SDGs would require a large amount of resources and a country-wise estimation suggests that 10-20 percent of GDP is required for meeting the social agenda alone. Similarly, India alone requires around US\$ 5 and 2.5 trillion for infrastructure

gaps and climate change respectively.

The Addis Ababa action agenda suggested a number of possibilities for resource mobilization. They are: domestic sources, private investment and public-private partnership (PPP). Most of the developing countries including India has lot of potential in expanding the tax base, increasing efficiency of tax collection and introducing innovative taxes for mobilising domestic resources. India has taken several steps in introducing innovative taxes such as Swatch Bharat Tax, education cess and 1 Rupee tax on every litre of petrol or diesel sold. In addition, Dr. Kumar emphasised on improving the efficiency of public expenditure, particularly expenditure on social sector.

Private resource mobilization is second source and effort should be made for improving investment climate, ease of doing business, developing and deepening of capital markets and harnessing the public private partnerships. There is need for discriminatory policy climate for FDI and FII as FII has volatile impact on financial system. For harnessing PPPs, national development bank should be developed and they should provide loans to private companies participating in PPPs. For social obligation, there is need for leveraging corporate social responsibility (CSR) for achieving SDGs.

On the aspects of global and regional partnership for resources mobilisation, Dr. Kumar emphasised on:

1. the development of regional financial architecture such as new multilateral

development banks like New Development Bank (NDB) and The Asian Infrastructure Investment Bank (AIIB),

- 2, turning SAARC Development Fund into as development bank
2. Increasing Official Development Assistance (ODA),
3. increasing South-South Cooperation
4. International tax cooperation for curbing illicit financial flows and transfer price manipulation,
5. Evolving and implementing international financial transaction tax.

On the aspects of global partnership on technology facilitation for SDGs, Dr. Kumar on the view that:

1. Access to technology is a major concern for implementing SDGs in the context of high concentration of technology generation activity
2. The pattern of concentration has changed only slightly over the past three decades
3. Access to environmentally sensitive technologies will be critical for implementing SDGs in India
4. Moratorium on further strengthening of IPRs – will facilitate easy access to technologies by developing countries
  - Extending public health waivers to ESTs (Environmentally Sustainable Technology).
  - Granting flexibility to developing countries in implementing Trade Related Aspects of Intellectual Property Rights (TRIPs)

-Differential pricing for technology licensing

-Strengthening TRIPs provisions (art 66.2) for transfer of technology including environmental technologies for developing and least developed countries

5. Enhancing indigenous innovations
6. Harnessing India's frugal engineering capabilities for developing low-carbon affordable products and processes
7. Pooling of resources for joint solutions for shared challenges.



## Revenue Performance & Revenue Mobilization

### Dr. Volker Treichel

World Bank Lead Country Economist



Dr. Volker Treichel focused his presentation on the issue of revenue mobilization in India. In term of fiscal deficit compared to other countries India is on the wrong quadrant. This is mainly due to below average revenue mobilisation and high govt. expenditure relative to its level of development. India has high indirect tax and total indirect tax of centre and states are higher than the average of OCED countries. On the direct tax side, there is the problem of under collection and income tax collection remained weak compared to most developing and developed countries. In term of income tax collection, India is at bottom level. Therefore, he emphasised on improving the collection of direct tax to mitigate fiscal requirement.

It has also been observed that there are too few taxpayers in India compared to other developing countries like Thailand and Brazil. This is partly related to weak tax administration and partly to tax policy issues. As far as administration issues is concerned, India is unable to widen the tax base to cover most income earners due to faster rise in basic exemption limit compared to the wages rise. More importantly, a significant part of the population depending agricultural income is outside the tax net. This has resulted low direct tax collection.

Also, India's property tax collections are found to be very low. The only countries lower than India are the African countries and Peru. Apart from weaknesses in the tax administration, India is prone to significant under reporting of property values. This is partly driven by high stamp duties.

It is also observed that the corporate tax as ratio of GDP is falling and excise and service tax has shown improved performance in recent time. Excise growth has been largely due to a significant hike in taxes on petroleum products helped by lower crude oil price. Similarly, service tax has been doing quite well reflecting a buoyant service sector in India.

In light of the poor performance of direct taxes, the budget has been relying on indirect taxes to mitigate resources needs. Although commodities (such as food) that comprise a large share of the consumption basket of the poor have a low statutory tax rate but due to high input taxes the poor pay over 11 percent of their consumption in taxes. In this sense, indirect taxes are quite regressive as poor people actually pay higher taxes relatively. The situation is not going to be changed much by the introduction of the Goods and Service Tax (GST). GST may reduce administrative costs and generate revenue, but it will not improve equity significantly.

The way forward for India is to improve the collection of direct tax and the efficiency of expenditure to mobilise more resources for infrastructure and social needs. The other option is to borrow more from the market but this in his opinion is not a long-term solution for resource mobilization. India's debt and deficits are high relative to other countries, and borrowing to finance additional expenditure could jeopardize macroeconomic stability and growth. Indirect taxes are already high by international standards and relatively regressive. The way forward for



revenue mobilization is to improve the collection of direct taxes. This includes better collection of income tax and increase in the use of land taxes.

Dr. Trichel made two specific suggestions implementing a minimum income tax and removing the exemption to agricultural income.

A minimum tax could be levied as a percentage of the assets which ensures that all businesses (corporate and non-corporate) would pay at least a certain amount of tax. Removal of exemption to agricultural income is a state subject and would require a constitutional amendment. However, in the interim, the income tax department could have full information reporting (filing of tax returns) by anyone earning agricultural income even if no tax is due. This would allow the income tax department to administer any misreporting of taxable income as agricultural income.

While India is making great progress in many fields, India was ranked 172 among 190 countries in the Doing Business /Paying Tax Indicators. Taxpayers especially businesses face high compliance costs, and the tax law is complex. The tax administration is not always sensitive to business needs. Existing taxpayers face high burdens while tax evaders who are not in the system manage to avoid the tax system all together. He further added that the tax appeals system is beset with delays causing prolonged uncertainty for businesses. The Tax Administration Reform Commission has given many suggestions to improve the tax system. Stamp Duty rates in India remained very high and highest in the world and efforts are being made to lower them. Moderating these rates while adjusting valuations to correct market level will

improve compliance. The proposed GST which covers the real estate would greatly help in the administration of the property tax, while there will be other challenges that will need to be addressed with its implementation. However, Stamp Duties need to be abolished once the GST is implemented. Summing up the talk, Dr. Treichel stated that India has been following fiscal consolidation and presently, should focus on the mobilization of income tax and the land tax, which will facilitate the huge development agenda in the country.

## Resource Mobilisation

### Dr. Gulshan Sachdeva

Professor, School of International Studies, Jawaharlal Nehru University



Dr. Sachdeva began his presentation by highlighting the traditional understanding of the global partnership, which focused on the partnership between north and the south and developmental assistance provided to the developing countries to achieve the MDGs. While MDGs were focused primarily on tackling extreme poverty in different ways, SDGs goes beyond in every aspect. In the case of MDGs, It was relatively easy to see the targets that were set, the achievements were made, and what was not achieved. On the other hand, the SDGs are very ambitious and complicated task to monitor since everything done by every country is part of SDGs. Another complication is that SDGs aren't limited to the developing countries and it covers the whole world.

Looking particularly for resource mobilization, within 17 SDGs, it is required to look into at least 8 development areas and integrate investment needs of climate change adaptation, migration and all kinds of development needs. The relevant question is: what kind of resources required for next 15 years and where does fit into international development architecture?

There are estimates of annual investment requirements (for example, for infrastructure, water, agriculture. power, telecom, building Industrial and Forestry sector) amount to about 5 to 7 trillion dollars every year. Even for developing countries, UNCTAD estimates the total investment needs for developing counties are between 3 to 5 trillion dollars every year. Further, with the current investments of about 1.4 trillion

dollars every year, developing countries are looking at roughly about 2 to 3 trillion dollars every year. Literature suggests that resources or the money required to finance sustainable development goals is not a challenge. Rather, the main challenge is how to channelize these resources. In this context, there are two challenges: How to channelize massive amount of private resources for SDGs. The second challenge is how to mobilise domestic resources. The 2015 Addis Ababa meeting of Financing for Development (FFD) has outlined the primarily responsibility of each country for its own economic and social development. Thus the role for national policies and development strategies needs to be emphasized. in this regard, domestic resources in the form of private investments are required and taxation and other issues should also be considered.

Dr. Sachdeva said that in this broader debate, the whole narrative has changed. When we spoke about partnership in earlier years, the focus would be on development assistance. Between 1960 to now, development assistant assistance of about 1.4 billion dollars was given to the developing countries. In 2015, ODA as a percentage of GNI had come down to about 0.3 percent. USA provided about 30 billion dollars. Except for few Scandinavian countries and UK, none of the other countries have reached the 0.7 percent of their GDP commitment of the 1960s.

He pointed out that the U.S. which is a major donor was also not contributing enough. Presently, the focus has therefore shifted towards

building private finance and domestic resource mobilization. Initially, whatever development assistance was coming, was coming to specific sectors – like health, education and others that were mainly linked with poverty. Presently the focus has shifted to private finance and a lot of development assistance may even go to for example the chambers of commerce, which will facilitate private finance in developing countries. He therefore felt that the exact implication of this could not be ascertained and therefore the whole narrative is troubling.

Another aspect highlighted by Dr Sachdeva was that countries like India, China and the members of BRICS have also becoming development assistance providers even though they do not have that kind of historic responsibility. Today, these countries collectively provide about 2 to 7 billion dollars in aid, with Sweden alone providing 7 billion dollars. While the BRICS nations cannot really replace the contributions of the major donors, but whatever they are providing will come within the South-South cooperation framework. This is very crucial in the context of stagnating development assistance from developed countries and global economic growth at just about 2 percent, along with declining global volumes of trade. Similarly, aggregate growth in less developed countries which was to be at about 7 percent each year, was only about 4.5 percent. Dr. Sachdeva thus concluded that while the debate has been expended into so many other issues, the main focus of assistance defined traditionally has got lost in the narrative and will have various serious implications in the future.



# Valedictory Session

- Sustainable Development Agenda: Challenges & Opportunities
  - **Dr. TCA Anant**  
Chief Statistician of India & Secretary,  
Ministry of Statistics & Programme Implementation (MoSPI)

## Valedictory Session

### Dr. TCA Anant

Chief Statistician, India  
Secretary, Ministry of Statistics & Programme Implementation



Dr. TCA Anant discussed the need to focus on the challenges which exist within the SDG framework and how to measure, report and make progress on them. He stated that the SDGs and the targets applied to both developed and developing countries, covering all aspects social, economic, and environmental. He briefly discussed the debate regarding various definitions and interpretations of economic development and commended that the development under the SDG framework has become very comprehensive with time.

He discussed India's performance in the backdrop of MDGs, and pointed out that only 12 of the 18 targets of the MDGs, and 35 corresponding indicators were relevant to India. The Ministry of Statistics and Program Implementation (MOSPI) was given the statistical responsibility to prepare reports of MDGs with respect to the indicators. Pointing out that the MDGs achieved a considerable amount of success, in particular with reference to poverty eradication, both in India and China. However, in the context of the 2015 SDGs framework, there was a need to create a successive guide for global development and he found SDGs more nuanced and its targets much more complicated than the MDGs, posing measurement challenge with many more indicators.

Explaining the issue with some examples, he stated that while the MDG called for achieving universal primary education, the SDGs advocate inclusive and equitable quality education and promote lifelong learning opportunities for all. He

pointed out how the traditional measures of educational attainment have been at deficit in capturing these elements of the SDG goal and therefore it is important not just to articulate a goal –but also how the goals are proposed to be measured.

Quoting another example, the Chief Statistician highlighted that while MDGs sought to 'promote gender equality and women empowerment' the SDGs call for achieving 'gender equality. He therefore questioned this from the societal point of view asking, “when is gender equality achieved and how is it achieved?” He pointed out the serious conceptual challenges in defining such parameters and measuring them, giving rise to a need for dialogue between statisticians and policy makers.

Elaborating further, that the MDG relating to health - focuses on child mortality, maternal health, HIV AIDS, malaria and TB thus the goals paid attention to specific areas. The SDG framework, on the other hand, views health as a very broad umbrella goal covering every aspect of health. It talks about healthy lives and wellbeing, going beyond the traditional remit of health agencies regarding wellbeing, and thus poses a much more complex agenda than only promoting health.

Taking another example for goals relating to the environment, unlike the MDGs, the SDGs have expanded the same into more goals - process of consumption and production (goal 12); climate change (goal 13); oceans, seas and marine resources (goal 14); and land (goal 15). Therefore

comprehensively describing environmental sustainability under the SDG framework.

Dr Anant pointed out that the goal of global partnership under the SDG framework, is more focused with respect to the means of implementation and talked about revitalizing global partnerships. The SDGs also spoke about new set of goals which were not mentioned in the MDGs with respect to water and sanitation, use of energy, economic growth, and employment. While these were implicit in the poverty goals in the MDGs, but are explicitly mentioned in the SDGs. Others that were implicit earlier and are presently explicit include: infrastructure, industrialisation and inequality within countries and inclusive societies. The above arguments put forth the point that the SDGs reflect a far more comprehensive method to overcome the challenges of development.

Speaking on the impact of the SDGs on India, he explained that in some form or the other, these goals have occurred in India's development policies assertions right from the 1950s. India's articulation of the needs of development has not been restricted only to economic growth but have involved social objectives as well. He highlighted that the national government had recently articulated the SDG agenda with a popular phrase 'Sabka Saath Sabka Vikas', which captures the spirit of inclusion in the SDG framework.

Dr Anant added that there are various on-going centrally sponsored development schemes and flagship programs which address many of the SDG targets and Niti Ayog had undertaken an exercise of clear mapping of each scheme addressing specific goals. He threw light on the fact that Niti Ayog has been in the process of

finalising the 15-year vision document which will encapsulate India's development vision and will eventually converge with the global development vision. Thus showcasing the fact that India is far from a policy or a measurement vacuum, with respect to SDGs.

At the global level, the UN recognised that the SDGs are a much more comprehensive agenda, and have created a complex framework by which there will be a global, regional and national forum to review the progress of countries. The challenge put to the UN Statistical Committee was to develop an indicator framework through which the progress towards these goals can be reported. The UN set up a framework of desirable attributes which the indicator framework must possess and should be examined on the basis of 3 principle parameters:

1. The indicator must respond to the goal and target.
2. The Indicators should as far as possible cover all targets.
3. The number of indicators should be kept parsimonious, so as to try to keep the measurement effort, cost effective. This Dr. Anant said, is close to being an impossibility theorem.

He emphasized that while the Statistical Commission had covered most of the goals, but it was struggling to cover all targets, and will not be able to ensure that all the indicators are measuring all the goals and targets - as conceptual issues are involved in measurements of certain goals. The UN constituted an expert group consisting of 28 countries to develop the framework, with India as a member of this expert



group. At the national level, the government of India assigned the responsibility to the Ministry of Statistics to develop the national monetary framework and Niti Ayog the responsibility of coordinating the policy framework. For every goal a central agency has been identified which has the principle responsibility for the goal. It has also been recognised that certain goals are complex, and require multiple ministries to work together, which has taken place through a variety of government and civil society consultations in trying to develop the policy framework.

Dr Anant further highlighted that India has an evolved national monetary system, a federal society and the statistical system functions as part of the administrative structure of the country. Official statistics come out as a consequence of government action. All of which is carried out with the objective of furthering the goals of different agencies and ministries. The structure is such that there is a vertical differentiation between the statistical agencies. There are specialised statistical agencies in certain ministries in health, education, and agriculture. In addition, there is an overall coordinating role given to the Ministry of Statistics which works with all these statistical agencies to make sure that the statistics they gather are in consonance with international standards and meet the requirements of not just the national statistical office but also the international community. Additionally, mirroring the central government, the state government have their own statistical establishments.

Closing his arguments, Dr. Anant pointed out that India may face some challenges in implementing the SDGs, which could relate to the resource

requirement for implementing the SDG agendas. An assessment was made that we would need 500 plus billion dollars per annum (it is an underestimate as it is based on our current estimate of the challenges, but with time there will be more resource challenges). Other challenges could involve making the development process more inclusive and broad based. For purposes of measuring, there is a need to conceptualise targets in a manner which makes sense in respective communities. He further stated that we cannot have the same measurement for pan India and cited the example of quality education because of the heterogeneity character of India. The goals as constructed in his opinion are not simple and emerge complex and interdependent. Finally, taking into consideration regional and cultural differences, Dr Anant was optimistic that the measurement protocol in India will evolve leading to further improvement and deeper understanding of the development challenges.



Mr. Yuri Afanasiev lighting the lamp during inaugural session of the conference



Faculty members and students of Symbiosis International University with eminent speakers at the conference







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# SYMBIOSIS

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