



Sustainable Development of LPG Policies of India

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Abstract

*Prof. Irma Glicman Adelman, an Irish Economist working in California University at Berkely, in her research work on 'Development Over Two Centuries', which is published in the Journal of Evolutionary Economics, 1995, has identified and concluded that India, along with China, would be one of the largest economies in this 21<sup>st</sup> Century. She has stated that the period 1700-1820 is the period of Netherlands (Holland), the period 1820-1890 is the period of England, the period 1890-2000 is the period of America and this 21<sup>st</sup> Century is the century of China and India. World Bank has also identified that India would be a one the leading players of this century after China and USA. India is the third largest economy in terms of Purchasing Power Parity with \$7.277 trillion. India (\$ 2. 936 trillion in nominal) will challenge the Global Economic Order in the next 15 years. India already overtook Italian economy (\$ 2.078 trillion) this year (2019), and will overtake England economy (\$ 3.002 trillion at present) in the year 2020, Japanese economy (\$5.154 trillion, 2019) by 2025 and USA economy (\$21. 239 trillion in 2019) in 2050. China with \$14.140 trillion already overtook Japan economy and will overtake USA economy in 2024. India has the following advantages compared with other economies. India is 3<sup>th</sup> largest GDP in the world in terms of Purchasing Power Parity Criteria (\$11.326 trillion in 2019). India is third fastest growing economy in the world after China and Vietnam. In this paper an attempt is made to bring out the major achievements and failures of economic reforms in India during the liberalisation period. It is mainly base on secondary information I read through government publications and reports and generally descriptive in nature. This paper has been divided into two sections (1) dealt with achievements of LPG policies and (2) dealt with the reasons for delay in achieving the proposed targets within the stipulated period.*

Key words: Development, poverty, unemployment, FDI, Foreign Exchange, welfare programmes

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## Introduction:

India's economic development is a continuous processes started right from 1951 onwards. Seventy-three years of independence, completion of Twelve Five Year Plans, twenty-nine years of liberalisation, privatisation and globalisation (LPG) brought a lot of changes in the Indian economy. Composition of GDP completely changed, contribution of various components to GDP also changed, agricultural contributions to GDP decreased from around 65 per cent in 1951 to around 15 per cent at present and at the same time contribution of service sector to GDP keep on increasing to 64 per cent at present. Fiscal deficit kept at 3.5 per cent level (it was 8.4 per cent in 1990), India has enough foreign exchange reserve of \$448 billion at present (it was only 600 million in 1991), inflation is kept at less than four per cent, current account deficit kept at less than two per cent, we are able to reduce the ease of doing business to a level of 63<sup>rd</sup> position (2019), has attracted sufficient FDI worth \$52.2 billion every year etc. These are all the achievements of successive governments due to liberalisation policies.

## Economic Conditions in 1991:

The economic crisis which took place in India in 1991 was primarily due to continuous large and growing fiscal deficits over the 1980s. During the mid-eighties, India started having the balance of payments problems and related fiscal deficit issues. By the end of the 1980s, India was in serious economic problem.

Before 1990 then Soviet Union was India's major trade partner than USA. The disintegration of Union of Soviet Socialist Republics (USSR), which began in second half of the 1980s with growing unrest in the national republics affected our exports to USSR. It also affected India's export earnings and finally it affected foreign exchange reserve.

The invasion of Kuwait by Iraq on 2 August 1990 was resulted in oil shock and increased the oil prices three times such as \$17 per Barrel to \$47 per Barrel. It affected India's foreign exchange reserve severely and India just had about 600 million dollars only in 1990-91 which was sufficient to meet just six months oil import bills. The government was at a state of defaulting on its financial obligations particularly heavy import of oil bills.

The crisis was caused by currency devaluation two times within three days (1 July and 3 July 1991). Due to low foreign exchange reserve depreciation the rupee took place in the month of July, 1991. It again affected both the balance of payment disequilibrium as well as fiscal deficit. and investor confidence played significant role in the sharp exchange rate depreciation. The gross fiscal deficit of both the central and state governments increased from 9.0 percent of GDP in 1980-81 to 12.7 percent in 1990-91. For the Centre alone, the gross fiscal deficit rose from 6.1 percent of GDP in 1980-81 to 8.4 percent in 1990-91. Since these deficits had to be met by borrowings, the internal debt of the government accumulated rapidly, rising from 35 percent of GDP at the end of 1980-81 to 53 percent of GDP at the end of 1990-91.

Along with India's oil import bill increase of three times, exports decrease and lack of financial support Foreign Institutional Investors (FIIs) took their money out tool their money out of India. Large fiscal deficits for a long time had a spillover effect on the trade deficit culminating in an external payment's crisis. The international credit agency Moody downgraded the Indian economy when Chandrasekhar government was not able to pass the budget in the month of February 1991. Due to this downgrade, it became very difficult for India even to get short term loans. The IMF and World Bank also stopped financial support to

India. Government of India had no option except mortgaging the country's 67 tonnes of gold to avail 2.2 billion worth of gold loan from IMF to avoid defaulting on balance of payment debts.

Reserve Bank of India (RBI) had to airlift 47 tons of gold to the Bank of England and 20 tons of gold to the Union Bank of Switzerland to raise \$600 million for solving the crisis. Common people came to know about this when the van transporting the gold to the airport had an accident on the way. There was public outcry when it was learned that the government had pledged the country's entire gold reserves against the loan. A chartered plane ferried the precious gold to England between 21 and 31 May 1991. The Chandra Shekhar government had collapsed a few months after having authorised the airlift. The move helped tide over the balance of payment crisis. Then the economic reform process kick-started by India's former Prime Minister Narasimha Rao government under the Finance Ministership of another former Prime Minister Manmohan Singh. The crisis led to the implementation of Liberalisation, Privatisation and Globalisation of Indian economy as one of the conditions stipulated in the World Bank loan, known as economic structural reform, requiring India to open itself up to participation from foreign entities in its industries, including state owned enterprises.

#### Major Achievements:

- ❖ It is very difficult to get telephone (land line only), connections, gas connections according to our convenience. One has to wait for more than four to five years to get these connections. Only the rich class and top government officials had enjoyed all these facilities. The poor people cannot think of these facilities. Then what about the conditions at present? Just go to a nearby shop with any ID cards you will get phone connection, internet connection on the spot. India made revolution in the communication field. Around 1180 million mobile phone connections and 500 million Internet connections are already provided to Indian customers. Similar to this there are tatkal gas booking facilities and anytime gas booking facility also are made available at present. Some states like Tamil Nādu providing gas stove and connection at free of cost for the economically weaker sections. Central government also providing such facility under Prime Ministers Ujjwala scheme.
- ❖ The LPG policy brought a tremendous change in the life style and status of the middle-class people. It was very difficult for a middle-class population to think of buying a four-wheeler before 1991. Only the very rich people, film stars, industrialists and politicians had the privilege of having such facility. Even buying a schooner or a bike is not quite common among the middle class or poor people. The middle and poor sections of Indian population had thought of buying a four-wheeler only when Maruthi Automobile Company introduced a small car in the market known as Maruthi-800. Before that the white coloured (Maximum) Ambassador car, and Padmini Car companies only played a major role on Indian roads. Now both these cars disappeared from Indian market and there is no service centre for these car companies in most of the II and III tire cities. At the same time after liberalisation almost all the car companies and car varieties with various colours, sizes and prices which are operating at global level are available at present in India. Indian customers are enjoying this facility after liberalisation.
- ❖ As we have seen earlier India just had 600 million foreign exchange reserve meant for meeting three weeks oil import in year 1991. This reserve started keep on increasing after LPG programme. At present India has 444 billion dollars as foreign exchange reserve. It is a great achievement.

- ❖ One of the basic objectives of the successive governments after liberalisation is to reduce the fiscal deficit to the level of 3 per cent of GDP. Almost India is nearing to reach to this level. Successive governments paid a lot of effort in reducing it from 8.4 per cent before liberalisation to 3.5 per cent at present. It is a great achievement.
- ❖ Liberalisation brought Revolution in consumer durables. Before liberalisation Indian consumers had never enjoyed the benefits of highly advanced consumer durables like highly sophisticated fridges, washing machines, mixer grinders, TVs and most of the kitchen items made in India and world renowned brands in Indian market. Now a days these consumer durables occupied each and every Indian household and we all enjoying these facilities.
- ❖ At the time independence when India was exporting only traditional agricultural based commodities like jute, cotton, oil cake, spice items etc. At that time India's trade share at the global market was about 2.4 per cent. But after independence our share instead of increasing started decreased to the level of .5 per cent and it remained at the same level nearly three decades up to 1991. A change on this took place only after liberalisation particularly during the WTO period. Due to successive trade liberalisation policies in the year 2000 and introduction of Special Economic Zones schemes in the year 2005 boosted our image in the international market. India is exporting not only agricultural products but also capable of exporting highly sophisticated computer software items, engineering goods, gems and jewellery items, electrical and electronics items, leather products, pharmaceutical items etc., to the international market. Now India is able to increase its share to the level of 1.9 per cent. It is a great achievement.
- ❖ One of the major achievements of LPG policy is that during the LPG policy about 340 million people opened bank account for the first time in India as part of financial inclusion programme under Prime Minister Jandhan Yojana.
- ❖ The Goods and Service Tax (GST) introduced from July 2017 has been one of the most significant reforms of the present government. The implementing of GST has created a single common market in India by subsuming several different taxes into a single tax and applicable pan-India. The move has helped in removing the cascading impact of different taxes. With the introduction of GST, states can expect their revenues to increase, especially those that do not manufacture goods and rely on supply from other states. At present, GST is a four-tier tax slab system and there are plans at reducing the number of slabs as the system stabilizes. As India pursues 7 percent plus growth year on year over to achieve \$5 trillion economy within before 2025, GST will play a major role in achieving that goal.
- ❖ Another important development which took place at national level is the introduction of UIDAI project. It is a 12-Digit Unique Identification Number given to Indian residents, based on their biometric and demographic data. It is the world's largest ID system implemented. Started under the UPA II regime, the present government has significantly advanced its implementation. The Aadhaar Card allows the holder to use it as a Proof of Address though it does serve as proof of citizenship.
- ❖ The Tax-to GDP ratio: India's tax-to-GDP ratio reached to the level of 11.9% in the year 2018—since fiscal 2008. The target is 12.1 in the year 2019.

### **Challenges of LPG Policy:**

The India's existing land and labour laws are holding back India's economic growth, investment, and development in India. The successive governments after implementation of LPG programme brought a lot of changes in regular labour market. Casualization of labour market, contract labour system market, of the labour market in India is the result of liberalisation programme. Before liberalisation labour market is governed by so many labour laws like the Equal Remuneration Act, 1976, the Bonded Labour System (Abolition) Act, 1976, Minimum Wage Act, 1948, Child Labour (Prohibition and Regulation) Act, 1986, Dangerous Machines (Regulation ) Act, 1983, the Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition ) Act, 1993, Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service ) Act, 1979, Motor Transport Workers Act, 1961, Sales promotion Employees (Conditions of Services ) Act, 1976, Trade unions Act, 1926, The Beedi and Cigar Workers (Conditions of Employment ) Act, 1966, Payment of Wages Act, 1936, the Building and Other Construction Workers (Regulations of Employment and Conditions of Services ) Act, 1996, the Contract labour (Regulation and Abolition ) Act, 1970, the maternity Benefit Act, 1961, Worker Men's Compensation Act, 1923, and the Weekly Holidays Act, 1942 etc. Workers particularly people working in the unorganised sector were enjoyed any one of these acts before 1991. After liberalisation these acts lost their relevance and the workers market became so casualisation in such a way that you can be dismissed from your office by your employer at any time without any legal benefits.

The Socio-Economic Caste Census 2011 has revealed that about 68.84 per cent of the people in India live in rural areas out of 1335 million population. In number terms it will be about 1000 million people live in rural areas. Out of this population nearly fifty per cent of them that is 500 million people have less than five cents of land. They are simply agricultural cooli workers or daily wage workers. Independent India did not provide them required land for cultivation or to have a decent life.

India is a country of about 1.35 billion people. Around 68.84 percent of India's population as per 2011 census lives in rural areas where the main occupation is agriculture. Indian agriculture is characterized by small farm holdings. The average farm size is only 1.57 hectares. Around 93 percent of farmers have land holdings smaller than 4 ha and they cultivate nearly 55 percent of the arable land. On the other hand, only 1.6 per cent of the farmers have operational land holdings above 10 ha and they utilize 17.4 percent of the total cultivated land. Due to diverse agro-climatic conditions in the country, a large number of agricultural items are produced. Broadly, these can be classified into two groups - foodgrains crops and commercial crops. Due to the challenge of feeding our vast population and the experience of food shortages in the pre-independence era, 'self-reliance' in foodgrains has been the cornerstone of our policies in the last 64 years. Around 66 percent of the total cultivated area is under foodgrain crops (cereals and pulses). Concurrently, commercial agriculture developed for whatever reasons in the pre-independent phase also kept flourishing during the post independent period. Commercial agriculture not only catered to the domestic market but has also been one of the major earners of foreign exchange for the country. During 2018-19 crop years, food grain production is expected to reach a record 283.49 million tonnes. India has been the world's largest producer of milk for the last two decades and contributes 19 per cent of the world's total milk production. India produced 175 billion liters of milk in 2019. India is expected to achieve the ambitious goal of doubling farm income by 2022.



National Sample Survey Organization (NSSO) 2007 had reported that about forty-four per cent of the farmers in India do not want to be farmers. “They would rather quit if they had an alternative. This shameful reality reflects the despair farmers feel and is based on the fact that agriculture is a loss-making enterprise and the farmers are unable to either feed themselves or turn a profit. Tata Institute of Social Sciences, Mumbai and Indira Gandhi Institute of Development Research Mumbai conducted a study on why farmers are committing suicide in Maharashtra for providing policy inputs for the government to intervene in the matter of suicide and preventing them. Both these studies concluded that indebtedness was the major cause for suicide among farmers.

After liberalisation the successive governments brought a lot of changes in the welfare programmes particularly towards women and women development issues like a. Swachh Bharat Abhiyan, b. Pradhan Mantri Ujjwala Yojana, c. Krishi Sinchai Yojna, d. Pradhan Mantri Awas Yojana (PMAY), e. Sukanya Samridhi Yojna, f. Swachh Bharat Abhiyaan, g. Pradhan Mantri Kaushal Vikas Yojan and Ayushman Bharat or National Health Protection Scheme, Make in India Double Farmers Income, War against Corruption etc.

When our neighbouring country China introduced bullet train in the year 2010 itself still, we are not in a position to make any initial plan for this scheme. India needed around about \$ 5 trillion investment within next few years to have world class infrastructural facilities at least in the transport sector. But government of India was able to spend only \$100 billion on this sector though allotted \$200 billion annually for this. We need a bullet train scheme from New Delhi to Trivandrum and from Kolkata to Udaipur as main lines and this line should be connected with other state capital cities.

This year much hue and cry have been made regarding GDP growth rate at present (2018-19) thinking that no such slow down experienced by any other countries in the world earlier. But people who have difference of opinions on this slowdown should note that the successive governments in India have had given much importance to service sector development right from liberalisation period and the result is that about 64 per cent of our GDP is coming from service sector only. Contribution of Industries remains more or less 30 per cent for many decades. Agricultural sector development is kept on decreasing year by year with 15 per cent contribution to GDP. The previous governments did not give enough boost to the industries sector and attracting more FDI. Our Ease of Doing Business Index is still very high even at present it is 63<sup>th</sup> position. There is a delay in implementing so many infrastructural development schemes. There are so many court cases against eight lane schemes, and land acquisition for industrial development.

Political parties and some NGOs also are playing negative roles in most of the development schemes. For example, Special Economic Zone scheme, a successful programme designed, developed and implemented by China not accepted fully in India. It is highly employment generation programme. But it meted with so many protests and court cases in the name of protecting farm lands. On the other hand, the farmers were also not properly taken care of by the successive governments by not providing sufficient credit facilities, marketing facilities and procurement facilities etc. Hence, nearly four lack farmers have committed suicide from 1995 to 2017. The way the information and communication revolution which took place in India by attracting much FDI did not happened in Industrial development and agricultural development. So, most of the development schemes designed by the successive governments were not fully implemented with spirit. Delay and delay everywhere. The end result is slowdown of GDP. After adopting Liberalisation, Privatisation and Globalisation

(LPG) policies for the past 29 years the people exactly did not understand what is exactly the meaning of LPG itself? There are doubts arising now whether the government really understood it and interested in implementation of LPG policy or is acting as liberalising the economy or not? Whatever it may be the benefits of liberalisation did not reach the common people who constitute about 1000 million out of 1334 million population of India. It is discussed in the media and among the experts that the slowdown of GDP is due to the reduction of cash in the people and the people are not spending any money or the consumers are not consuming anything at present. To certain extent it might be correct. The development benefits of the half-cooked LPG programmes not reached the 6, 33, 555 villages and remote areas in India. Nobody can deny it.

The government during 1914 to 1918 period had given too much importance to implementing so many welfare and basic necessity schemes, which were not provided for the past 73 years of independence, like constructing toilet facilities, PM Ujjwala scheme, PM Awas Yojana Atal Pension Yojna, Prime Minister Jyoti Jyoti Bima Yojna, Pradhan Mantri Suraksha Bima Yojana, Smart city scheme, AMRUT Plan, Prime Minister Ujjwala Plan, Gramoday Se Bharat Uday, Ujala Yojna, Swachhh Bharat Mission, Shramew Jayate Yojana, Sansad and Adarsh Gram Yojana etc. Twelve Five Year Plans also did not solve some of above stated basic necessities of the common people. So, importance was given to these areas. But at the same time similar thrust was not shown in areas of attracting FDI, savings rate and private investment.

Many a time I have written and discussed in many forums about the inter connection between the poverty and many national and international prizes including Nobel Prize. Studies on Poverty, malnutrition, exploitation, poor sanitary facilities, lack of health facilities, lack of accessibility to educational facilities and casualization of work are generally considered, as it seems, major criteria or gateway or a ladder to avail many prizes at the global level including Nobel Prize. The suggestions or policy implications of these studies either never and ever reached the concerned authorities for taking appropriate policy decisions to mitigate this problem or the authorities simply ignore the policy decisions of these studies and or not interested in resolving it. If one analysed the economic history of poverty reduction in India right from First Five Year Plan to end of the Twelfth Five Year Plan one could understand that the answer for this doubt seems to be in that direction only. The Director Satyajit Ray one who took movie about poverty in India, was rewarded with best Directors Award, the Economist Amartya Sen one who wrote intensively about poverty was rewarded with Nobel Prize, Muhammad Yunus one who introduced the concept of Micro-finance/Self Help Groups among poor Women in Bangladesh was rewarded with Nobel Prize, Mother Teresa one who dedicated her life for the poor was rewarded with Nobel Prize, the film "Salaam Bombay" rewarded with a lot of awards in India and abroad and the list continues till now. Now three more economists Prof. Abhijit Banerjee, Prof. Esther Duflo and Prof. Michael Kremer once again going to receive the Nobel Prize for their work on "their experimental approach to alleviating global poverty." All those who wrote intensively about poverty in India, those who took movies about poverty in India, those who acted in movies as poor person, it seems that, became very rich in India as well as abroad with a lot of rewards and awards. But poverty remains with the people forever.

The people who are living below the poverty line still living with all the criteria's applicable for defining poverty. Only the definitions changed from the number of calories needed in a day to wage per day, then it ended with multi-dimensional approach towards poverty. The government or the government appointed committees like Y K Alagh Committee,

Lakdawala Formula, Suresh Tendulkar Committee, C. Rangarajan Committee though varies from one another with respect to number of people who live below the poverty line in India, have one common point that is the per centage of poverty reduction is not as expected level, whatever may be their approaches in defining poverty. The socio-economic Census 2011 has stated out of 1000 million people, who live in rural India, fifty per cent of them have less than five cents of land. They are simply daily wage workers, agricultural coolly workers or casual labourers in farm sector. Unless these people get an opportunity, either directly or indirectly, of what is going on in the State Assemblies of different states and Parliament of India, no policies, programmes and schemes will help them to improve their standard of life. The governments both central and states should go for digitalisation of the rural areas immediately.

We, the economists, know very well that there are four different types of economies existing in this world at present. They are

- 1) Traditional Economic System: This economy is mainly based on primary sector like agriculture, cattle rearing and fishing. It is self-contained economy. No surplus production and maintaining the day-to-day affair are sufficient for the people. They are the people who really practice cashless economy. It is in practice in some of the African and Middle East countries.
- 2) Command Economic System: Under this system everything is decided by the centre government. The people should follow whatever may be the decision taken by the government. People have no choices here but considered as supporting pillars of the government. Equality and brotherhood are the major philosophy working under this system. Countries like China, Cuba and Erstwhile Soviet Union are example for this.
- 3) Market Economic System: Another name for this system is capitalist form of government. Here the market will decide the economy. Individuals have the freedom to play any role in this system and also have the freedom to exist. You can be a buyer or seller. Government has limited control over this system. Most of the European countries, USA, and Some of the Newly Industrialised countries are coming under this system.
- 4) Mixed Economic System: Existence of both private sector as well as public sector is known as mixed economic system. India adopted this system. Individuals have a lot of freedom under this system still government also play a major role in controlling price level, subsidy for the poor, management of FDI etc. Certain areas like defence are fully under the control of the government.

These are the traditional classification of the economies in the world. In addition to these, we have one more economy which is very familiar or known to us or we learned to live with it but not able to define it scientifically. That is what I want to define it systematically as “Honey Bee Economic System”.

The honey bees are social creatures and having a social system may be known to us as a caste or class system to achieve the task that ensure the survival of the honey bee hive. The Queen Bee is playing a major or dominant role in the hive. She may be the mother of all the honey bees in the hive. The queen bee has a set of rules and regulations, with selfish interest, under which every hive should have only one queen bee, sterile females and male workers in the hive and not to allow any new queen bee born in the hive. The newly born queen bee has two choices either to die or go out and build new hive with her own workers. The Queen Bee lays eggs and secretes a pheromone that keeps all other females in the colony sterile so that they will take care of the net and good workers.



From the above honey bee hive system what one can easily understand is that the queen bee never and ever accepts or permit any other queens or arrivals of new queen born or coming up in the hive. Otherwise, the queen has to lose everything to the newly arrived one, which she does not like. Under this “Queen Bee’s Philosophy” the queen will enjoy everything in the hive and the remaining honey bees will be treated as workers, assistants and or slaves to the queen bee or the hive. Nobody can break this system. If any new queen was born, she has to escape from this bee hive and build its own beehive nearby or somewhere. This is the established rule of nature. Under this system politics is involved, economics is involved and also the social hierarchy also very much established.

What is the significant of this system for us today? Why this question arise here is a matter of important for us now. India’s GDP growth is slowdown to 5 per cent level, six years low, in the lost quarter of 2019. The GDP growth is kept on decreasing for the past five quarters from 8 per cent to 7 per cent to 6.6 per cent to 5.8 per cent in the previous quarter. One of the major reasons for the slowdown is reduction of consumption expenditure of the people, which constitutes about 60 per cent of the total GDP. Common people have no money or no purchasing power. Though government of India took a lot of development measures to develop India’s GDP and welfare of the people the development benefits are not reached the targeted people. Many studies revealed that nearly 57 per cent of the wealth is taken over by just 1 per cent of the total population. Though India is known for democratic country the democratic rights or benefits are also not reached the common people or not able to avail the common people. We simply classify them as daily wage workers, coolly workers, casual workers, agricultural workers, informal sector workers etc. We have various names for them. So the Indian democratic system is working in favour of the rich people who prefer to keep their money abroad or invest abroad and the less advantaged common people have nothing to save in their bank accounts, so the gross domestic savings rate to GDP reduced from 35 per cent to 29 per cent at present.

Under the present democratic system, it is very difficult for the common people to contest and win in any elections either Assembly or Parliament elections. The people on the top or the people who already enriched themselves or those powerful people who already entered into Parliament and State Assemblies once or many times stand as a great block to the new comers. Since Indian social system is caste based there is a queen bee leader in every caste, community, region or religion all over India. Yes, every caste, every class, every community, every tribe, every state, every district, every taluk, every Panchayat, every village, every ward, every Assembly Constituency, and every Parliament Constituency, from top to bottom “queen bee” leaders are working or available or in operation. They are enjoying or holding the political power, economic power and social status etc. They use their money power as well as muscle powers to prevent the new comers enter into their domain as what the Queen Bee is doing in the hive. Political leaders, caste leaders, community leaders and religious leaders in India are cornering the benefits and also take steps to prevent emergence of not only common people but also from their own castes, communities and religions respectively entering into their domain. So, in every caste, every community and every religion about 10-25 per cent of the people hold the economic power which meant for the entire communities they represent. The benefits of economic development and opportunities are almost stopped after reaching these people except the development of communication and entertainment areas. In the name of democratic set up common people were ignored by their respective representatives. The present government has to bring some set of rules and regulations regarding how many times one has to contest or represent in the State Assemblies, Parliament House, Mayer position, Panchayat President,

ward members, councilors etc. The Common/the poor one should get an opportunity to reach the above levels. Economic and political powers should be decentralized.

Suggestions:

1. Implement the Bullet Train scheme from north to south and east to west like a. from New Delhi to Thiruvananthapuram, Kerala, b. from Kolkata to Shalimar in Rajasthan. c. Connect these main lines with Chennai, Bangalore, Mumbai, Bhubaneswar under same scheme through FDI. There are countries like China, Germany, USA, France and Italy ready to help in this regard. This will boost cement industry, iron and steel industry, electrical and electronics industry, computer software industry, plastic industry simultaneously. Lacks and lacks of employment opportunities could be generated through this single programme. Definitely it will bring down our unemployment ratio from 6.1 per cent to 2.0 per cent.
2. Take maximum efforts in creating and providing irrigation facilities like connecting state rivers, repair and maintenance of tanks, ponds and canals, constructing more check dams everywhere if it is possible will boost the rural economy. This will create employment opportunities for the rural people along with 100 days of MGNREGP.
3. Government has to Establish by its own fund or allowing FDI food processing industries, air-conditioned warehouses in every village along with air-conditioned container facility, if it is possible, to store the agricultural products to avoid more supply when the prices are very low during the harvesting season. These products can be processed and exported to foreign markets. Here no product will be wasted, farmers also will get high price for their product and it will create employment opportunities for the semiskilled workers in rural areas. Unemployed and educated youth should be encouraged to go start these processing units by availing loans under Mudra scheme, start-up programme and make in India programmes. This will solve the unemployment problems in rural areas. Government should permit FDI here.
4. Employment generation schemes, income generation schemes, poverty eradication programmes in rural areas are well connected and should be operated only through digitalisation.

This is the right time government should act immediately to activate the economy by adopting the above stated measures. If government acts on these lines definitely GDP automatically will go up and the economy will be boosted. These measures will create more employment opportunities, then People will get more money, spent more money, save more money for future development. Finally, the saving GDP ratio will go up to 37 per cent and investment ratio also will go up to 37 per cent.

Now only government of India started implementing so many welfare programmes like PM Jandhan Yojana, PM Awas Yojana, PM Ujjwala plan , Sansad Adarsh Gram Yojana, Shramew Jayate Yojana, Beti Bachao Beti Padhao, Ujala Yojna, Atal Pension Yojna, Prime Minister Jyoti Jyoti Bima Yojna, Pradhan Mantri Suraksha Bima Yojana and Gramoday Se Bharat Uday for the benefit of common people that too after 73 years of independence, 12 Five Year Plans, 29 years of Liberalisation, Privatisation and Globalisation. These benefits did not reach the common people or they are excluded from the development. Hence the opportunities for the younger and common people are keep on reducing year after year. It is not

an expected development for a large country like India. Development benefits should be reached every nook and corner of the society. Every citizen should feel that they are part of the development system and also contributing something to the growth of the economy. Then only India will stand as a powerful economy and withstand with any slowdown or recession.

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