

AN EVALUATION OF ECONOMIC DEVELOPMENT PURSUIT OF MODI GOVERNMENT

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ABSTRACT

Indian Economy is standing on the cross road. On the one hand, we have some astounding achievements and on the other, there are several issues emerging today that draw our earnest attention. An assessment of the Modi led government will resolve many issues. The objective of the study is to evaluate the working of Modi led government and high light its strength and weakness.

Modi government initiated several steps to foster the development of different sectors on the lines of his mentors Shri D.D. Upadhyay and Dr. B.R. Ambedkar. Modi government initiated a number of programs for all walks of the society and all segments of the economy.

The greatest achievement of the Modi government is that it has been able to instill confidence in the beleaguered masses riddled with corruption and inaction. The results of the Modi government efforts are encouraging. However, Modi's efforts are not without limitations.

Key Words: *Modi government, Neo-liberalism, corporate capitalism, NITI AYOOG*

1.1 INTRODUCTION:

21st century has blessed mankind with some new opportunities and challenges and it has provided them to think and act differently and, hence, it is plausible to transform the situations in shortest possible time and space. This transformation, however, requires a herculean effort from all concerned and especially from the governments. Creation of institutions, well-knit organizations along with clear vision, mission and determination can revolutionize the economies. Indian Economy is standings on the cross road. On the one hand, we have some astounding achievements but on the other, there are several issues emerging today that draw our earnest attention

and ignite to our mind. The greatest issue, however, is: do we think that the present government is meeting our aspirations? At the time of change in the government in India in 2014, Indian economy was in the state of slumber and reeling under corruption. Parallel economy had paralyzed the economy and poverty and unemployment had perpetuated situation from bad to the worst. Pondering for change under this situation changed the government, i.e., from UPA to NDA government. The dawn of new government brought a new hope for the masses and Modi government with its vision and mission to 'build a modern, prosperous and vibrant India - based on (Indian) ethos and values is trying to carve the destiny of the nation. The efforts of the government are not devoid of any philosophy. Shri Deen Dayal Upadhyay is the philosopher and guide of the BJP government, however, Shri Deen Dayal Upadhyay is not alone mentor of Modi government and it has been influenced by many other philosophies. The destiny of the nation largely depends on the philosophical dogma that a government chooses and the functions that it performs. An assessment of the Modi led government will resolve many such issues and questions and hence, it is right time to evaluate its activities. The present paper tries to appraise the three years of the functioning of the Modi led government and traces the strength and weaknesses of its functioning. The gamut of the paper encompasses outlining the philosophies that the present government has adopted. Functioning of the government has been evaluated against the backdrop of the previous government working and its strength and weaknesses has been analyzed against the vision and mission it has perused. Economic, political and social aspects and criteria of assessment have been chosen for assessment.

1.2 OBJECTIVES OF THE STUDY:

- *To assess the functions and activities of the government*
- To assess and high light the strength and weakness of the Modi led government.

1.3 SOURCES OF INFORMATION:

Published materials; manifesto of the government; materials published on internet.

1.4 PLAN OF STUDY:

The paper is divided into four sections. Part one is introductory in nature. Section second is concerned with the policies, programs and an analysis of previous governments. Section third relates to the philosophy pursued by Modi led government; Section fourth discusses the achievements and failures of Modi government.

1.5 METHOD OF ASSESSMENT:

Assessment and evaluation can be made of NDA government led by Shri Narendra Modi on the basis of certain criteria or aspects adopted and they are:

Criteria / aspects adopted for assessment	
Economic Criteria/Aspect of Assessment	Political & Social Criteria/Aspects of Assessment
<ul style="list-style-type: none"> • Environment in which it started its journey of governance. A comparative study regarding the policies and programs of various governments at center should be made to evaluate its activities; 	<ul style="list-style-type: none"> • The gamut of the recipients of the various programs. Is it aimed at entire society or a section of the society or for the both;
<ul style="list-style-type: none"> • Vision, mission or aims and objectives of the government; 	<ul style="list-style-type: none"> • Whether the leadership is creating enthusiasm in the masses or a morass is created?
<ul style="list-style-type: none"> • Policies and programs adopted/ initiated and creation of institutions or system to facilitate those programs and 	<ul style="list-style-type: none"> • Leadership is proactive or regressive and dull;
<ul style="list-style-type: none"> • Outcome of the various activities or programs initiated or actual work done. 	<ul style="list-style-type: none"> • Philosophical dogma and philosophers and guides of the government

SECTION II

2. INDIA BEFORE MODI GOVERNMENT:

When India started its journey of economic development after independence, the economic environment was extremely gloomy and depressed. We had to bring the masses out of the morass of non- development during the British Rule, that was reflecting in misery and destitution. Rate of growth during 1914 and 1946 was only 0.26 per cent,⁽¹⁾ per capita income was very low, despite not having much population; percentage of literate population was very low (18.33%)⁽²⁾, etc. We were having low levels of life expectancy at birth (male 32.4 and female 31.7 years during 1941-51)⁽³⁾ which was direct result of mass hunger. Agricultural was main activities. 72.1 per cent population was engaged in primary activities and its contribution to GDP was around 52.6 per cent.⁽⁴⁾ Our

leadership was not having any experience for governing the country, but mostly fascinated by own philosophical dogma, adopted the planned development model and mixed economy concept. All the policies and programs including monetary, fiscal, industrial policy, etc. were adopted to make successful of the mixed economy concept. Different economic models such as two sector model; wage goods model; decentralized planning, basic needs approach, etc. were adopted at different plans with an aim of removing poverty and unemployment; fostering agricultural and industrial development with much emphasis on the development of basic and key industries in public sector. Results of adoption of these policies, however, were not very encouraging. It was a disproportionate increase in the development of public sector causing in in-efficiency, corruption, inflation, unemployment, lop sided development, etc. We had a Hindu growth rate (average 3.3 per cent) and double digit inflation. Fiscal deficit was 8.4 per cent of the GDP in 1990-91. Employment growth rate was 2.6 per cent during 1983 to 1993-94. India, in fact converted itself into a closed economy. The disappointing economic results caused initiation and adoption of new economic policy in 1991 and every successive government at center pursued and fostered this policy.

SECTION III

3. INDIA UNDER MODI GOVERNMENT:

Several policy changes undertaken by the above governments opened the Indian economy to the world economy and it was expected that with these policy changes India would be on its zenith of development. However, by 2014 it was clear that India was limping and struggling and the poor public was so fed-up with the morass created by the UPA government that it turned the polity in favor of NDA government. However, it was not the bed of roses for Modi government. Many challenges concerning the economy were knocking at the doors of the Modi government. Let us innumerate some of them.

3.1. CHALLENGES BEFORE MODI GOVERNMENT:

- Slow and uneven pace of economic development was the most important challenge before the country. It had become more serious because one of its important segments, i.e. agriculture was experiencing the slowest economic growth. In fact, it was negative growth rate (-0.2%) in 2014-15.⁽⁵⁾ This sector which was back bone for providing employment to a sizeable segment of the society was supporting only a meager percentage to GDP and that too was going down with every passing time. It was 17.6 per cent in 2014-15⁽⁶⁾ as against 52.6 per cent in 1950-51. Again, due to insufficient investment in this sector and paucity of capital invested in research and development, second green revolution, though perceived

necessary yet not been realized. New thinking, new ideas and new ways of development of rural economy were not emerging.

- Industrial sector, which was recognized both by W.W.Rostov and Rogestein Rodan as prime mover of the economy, however, did not get raw deal in the process of development. Its contribution to GDP was rather insufficient for several years. The share of this sector to GDP was 16.6 per cent in 1950-51 and constituted to 29.7 per cent in 2014-15.⁽⁷⁾ Lack of infrastructure crippled most to the development of this sector. The other areas, namely, power, road and railways that are regarded as pivotal for development pursuit also fared insufficiently.
- Corruption, crony capitalism and rent seeking⁽⁸⁾ had become the rule in the economy and coupled with policy paralysis⁽⁹⁾ it was creating severe blow to the development of the economy.
- Instilling confidence and motivating the common masses was perhaps the most phenomenal task before Modi government.

3.2 AN ASSESSMENT OF MODI GOVERNMENT'S POLICIES & PROGRAMS:

3.2.1 Philosophy & Policies of the Government:

The philosophy and goal of present government is to make India 'Ekk Bhara and Srestha Bharat' and its aim is to 'build a modern, prosperous and vibrant India - based on our (Indian) ethos and values.'⁽¹⁰⁾ It has adopted the vision and path of including everyone in the development process (Sabaka sath, Sabaka Vikash). It is going to provide greater emphasis on growth and modernization in the course of development so that Indian economy should evolve itself into a vibrant economy.⁽¹¹⁾ However, while doing so, it envisages that economic growth should be sustainable in the long run and it should be inclusive.

Modi government, preacher of the philosophy of Shri Deen Dayal Upadhyay⁽¹²⁾ and Dr. B R Ambedkar,⁽¹³⁾ however, is actually more close to the philosophy of neo-liberalism⁽¹⁴⁾ in thinking, knows that a fast growth is not antagonistic to the development. Growth enables the government to generate and garner revenue that is very essential for development. Revenue generated, thus, can be reinvested for development.⁽¹⁵⁾ The present government knows that growth requires investment and market development. It fosters employment and generates income. Along with some distributive justice efforts, ills of inequality and poverty can be removed. Tapping and promoting investment both from inside and outside of the country is the hallmark of the Modi government thinking. The present government is, in fact, vehemently trying to entice the FDI, though with certain restrictions, in every segment of the economy. Recently, the government has opened itself for 100 percent FDI in several sectors and India has become the most open economy of the world in terms of receiving FDI in the country.⁽¹⁶⁾

FDI is needed for augmenting the capital and investment. Growth, however, cannot be realized from enhancing investment alone. It can also be subsisted through export promotion. Hence, for Modi government export led growth has become the new chant and mechanism.

Akin to neo- liberal economic philosophy Modi government talks about less government and more governance suggesting less role of state to play in economic activities.⁽¹⁷⁾ Less interference in economic activities suggests that entrepreneurs should be encouraged to shoulder the responsibility of development and government should create and facilitate institutions and environment in such a way that entrepreneurship should flourish. Modi government has launched several schemes and programs to make success of this philosophy and innovation and skills are encouraged in a big way. Several programs entailing marginalized and different segments of the society have been launched so that policy of sustainable development and inclusive growth can be achieved.

Let us examine the economic development pursuit adopted by Modi government in some more details.

3.3 RURAL & AGRICULTURAL DEVELOPMENT:

Agriculture sector has been experiencing quagmire & neglect from the planners for a very long time resulting into negligible growth rate during the plan period. The share of agriculture sector too in national income is going down. This has resulted into sharing of nominal income by a large percentage of population residing in rural sector. This created a situation in which a large number of peasantry class has to live below poverty line. The gloom and despair prevailing in the agricultural sector is not only affecting the growth of this sector but also farmers are losing interest in farming.⁽¹⁸⁾ Number of farmers depending upon agriculture, mostly disguisedly unemployed, is very large. Knowledge creation and research in agriculture is insufficient; change in climate is crippling production significantly; transfer and absorption of idle manpower from agriculture sector is slow. Modi government knows that in agriculture, challenges are enormous; nonetheless, opportunities are huge. Modi government, however, in the lines of thinking of his mentors Shri D.D. Upadhyay⁽¹⁹⁾ and Dr. B.R. Ambedkar⁽²⁰⁾ visualizes entire scenario in the realm of improving rural economy and not agriculture alone.

3.3.1 Programs for Agricultural Development:

Modi spelled out his vision in the 86th & 87th convocations of Indian Council of Agricultural Research (ICAR) foundation day.⁽²¹⁾ In the line with his vision his government has initiated several schemes and programs in order to increase production and productivity; increasing the income of the farmers; saving farmers from several loses; saving land from soil erosion and water scarcity; disseminating information; augmenting research entailing

farmers, scientist and laboratories; creating alternative source of income; welfare measures for small and marginal farmers and farm labors; etc. Hence, low water-consuming irrigation techniques and seed culture labs, agriculture innovation labs and soil testing labs are promoted; for organic farming “Organic Farming and Fertilizer Corporation of India” is encouraged; for reducing wastage ‘cluster based storage systems’ has been promoted; for augmenting income ‘Consumer friendly Farmers’ Markets’ has been established; for disseminating information ‘Regional Kisan TV channels’ are operating; for covering farmers from the vagaries of climate change ‘farm insurance scheme’ has been initiated. Government is trying to foster the pulses production by providing incentives to them. Similarly, government is also trying to increase the farmer’s income by spreading of e-auctions within and between mandis across the country. Another significant step that has been initiated is to permit FDI in food chain, if produce originates domestically. Soil and seed testing facilities at 2000 retail outlets of fertilizer companies⁽²²⁾ has also been created. The central government has provided Rs. 150 crore in 2016-17 budgets to speed up digitization of land records.⁽²³⁾ Result of these efforts and the effort to rejuvenate the agriculture sector has started paying dividend in the form of increase in growth of this sector. The growth rate in agricultural sector which was -0.2% per cent and 1.2% in 2014-15 and 2015-16 respectively, jumped to 4.1 per cent in 2016-17.⁽²⁴⁾

3.3.2 Programs for the Rural Economy:

Modi government has been rendering top priority to the revival and rejuvenation of the rural economy. This sector was the most neglected sector until now despite the fact that most of the people living there were poor. Modi’s mentors⁽²⁵⁾ envisaged that agricultural population should be transferred from the farm sector to ‘non-farm agricultural activities’. Programs of road construction, rural electrification, etc. were in dire need. Value addition in food activities can only be augmented along with them. Modi government, hence, has allocated more financial resources for the development of these areas and rectified several policy bottlenecks to achieve the desired results. Rural electrification was given highest priority. As on 23rd Feb.2016, out of 18452 villages identified that were without electrification, 5542 villages have already been electrified.⁽²⁶⁾ In the same way, Modi government envisages that rural roads should be connected to the highways and in all 36,340 and 36,450 kilometers of rural road length has already been constructed under Pradhan Mantri Gram Sadak Yojana (PMGSY) during 2014-15 and 2015-16, respectively. The road constructed during previous two years, i.e., 2012-13 & 2013-14 was 24,160 and 25,320 kilometers, respectively.⁽²⁷⁾ In fact, pace of construction of PMGSY roads accelerated to 133 km roads per day.⁽²⁸⁾ In order to increase alternative source of employment to farmers ‘horticulture, floriculture, bee-keeping, poultry, aqua culture’ are promoted and augmented. Similarly, agro food processing clusters and high value, export-quality processing facilities has been initiated.

3.4 INDUSTRIAL DEVELOPMENT:

Modi government wants to convert India into global and mass manufacturing hub.⁽²⁹⁾ For realizing this dream into reality, it has envisaged to create conducive and enabling environment for industries by simplifying procedures and cutting red tape. A move towards single-window system; time-bound and transparent environment clearance and better center-state coordination are the hall mark of its planning. Creation of strong manufacturing base by easing business conditions and bringing transparency in government programs, policies and procedures are planned. Modi government wants to transform both the large and small scale sectors. It envisages economic freedom to new entrants and has planned to enhance competitiveness by adopting the measures of furthering the use of information technology, innovation, creating supply chain and international linkages and by providing availability of credit, etc. All these measure will foster the development of industrial sector, vital for development and employment generation but largely not given appropriate consideration in the past.

Modi government has adopted two pronged strategies to fulfill this dream into reality. One, to foster the development of large scale industries especially manufacturing industries which uses sophisticated technology and second, forming the cob-web of small scale industries throughout the country. Hence, Modi government has launched schemes of Make in India and Start-up India basically to realize these strategies, respectively. It has started Mudra and Digital India programs as well. The objective of the Mudra program is to involve the much neglected and dejected segment of the society, i.e., all non-corporate business segments comprising tiny and small traders, business men, etc. in the growth process.⁽³⁰⁾ Digitization is yet another high profile program of the government that can integrate our economy well to the world economy and modernize our outlook in every aspect of life. The philosophy adopted by Modi government may transform the economy beyond to our imaginations, by creating jobs, instilling confidence; fostering knowledge and scientific development, etc. However, while going through the programs and examining the policy of the Modi government one may conclude that Modi government on the one hand, is furthering the nest of the private sector and on the other, diluting the role of public sector by following the policy of disinvestment of some of the units of this sector. One can also conclude that Modi government is following the neo-liberal philosophy much to the delight of the global corporates and with help of FDI and progressing infrastructure, specially development of transport and power it is going to turn the tide in favor of resurgence of the economy.

3.5 SERVICES SECTOR:

Modi government has concentrated much to the development of infrastructure and especially development of transport and energy has got its attention most. UPA government failed to provide the road construction clearance

fast due to environment consideration. However, the present government has been able to unclog the previously struck projects and initiating new ones⁽³¹⁾. Around Rs 3.5 lakh crore worth of road projects has been cleared by March 2016. Similarly, national highway projects awarded has also got fillip during its two years of functioning. Another major transport facility i.e., Railways has also got impetus under the present government. Approval of construction of high speed rail between Ahmedabad and Mumbai; construction of freight corridors; putting additional new railway lines, etc., are some laudable success of this government. With the present government efforts the average rate of expansion of tracks (7 kilometers per day) has nearly been doubled during 2015-16 from preceding six years. Likewise, civil aviation and water ways transportations got much needed boost.

Energy sector, regarded as life line for development of any economy got tremendous impetus. Modi government has extended highest priority to give electricity to such villages that remained without electricity until recently. Similarly, power generation through solar power has also been given top priority; though, some may criticize it on the basis of cost. A capacity addition of 14.30 GW of renewable energy has been reported during the last two and half years under Grid Connected renewable Power.⁽³²⁾ The outstanding achievement of the Modi government, nevertheless, has been relating to Coal production. The crisis of availability of coal that had been experienced by several sectors during previous government now been averted and its production got a tremendous momentum. The policy changes and program initiated by the present government would no doubt help the development of other sectors.

3.6 SOCIAL SECTOR:

Modi government has introduced several social sectors schemes for the development and benefits of different sections, age groups and genders with more clarity and more definite understanding. Use of technology in the form of Aadhar biometric identification program is going to transform the economy beyond imagination. Another such program is Pradhan Mantri Jan Dhan Yojana which will have wide ramification with 27.77 crore accounts and Rs.64720.94 crores deposited till 22.2.2017⁽³³⁾. Inclusion of such accounts holders until recently excluded from the banking sector will have a positive impact on the economy. Conversely, directionless MNREGA scheme is a cause for worry. PM Modi had once pronounced this scheme as 'living monument of UPA's failure'. However, if proper steps has not been undertaken to increase allocation in real term in this scheme then it will become 'living monument of NDA government' as well.⁽³⁴⁾

SECTION IV

4. DISCUSSION AND CONCLUSION

The above discussion, though, provides some detailed assessment of the functioning of the Modi government, however, a more incisive discussion is required to make it a fruitful dialogue. The assessment of the government should be based on the progress it has made in removing-counterproductive regulations⁽³⁵⁾ and the positive attitude and environment it has created. However, we should also detail its unfinished targets and programs.

Modi government harbors on acceleration of growth, however, inclusion of the deprived sections of the society in the growth process is hallmark of its activities. Modi has initiated a number of programs for all walks of the society and all segments of the economy. Many programs are, though, borrowed from United Progressive Alliance (UPA) government, however, they has been reoriented, remodeled and presented in such a way that they have been regarded fashioned tailored as the creation of NDA government. Modi thoughts, ideas and programs are designed and influenced less by his mentors Shri D.D.Upadhyay and Dr. B.R.Ambedkar and more by thoughts of neo-liberals⁽³⁶⁾ and neo-institutional economists. There is perceptible dichotomy in Modi's (the Head of the government) thoughts and behavior. Modi never talks in favor of capitalism but acts firmly on that. In fact, global and corporate capitalism has strengthened its footsteps in India more profoundly in recent years. Vibrant Gujarat summits are an example of that. Some may say his friends are elites, however, his voices are for poor; he gets strengths from industry and industrialists, nevertheless, he shows his heart flutters for farmers and farming; he belongs to a traditional party with much traditional thinking, however, he put forth profoundly the modernity and shatters the dominance of the earlier; he creates institutions on the one hand and shatters them on the other. He has emerged as crusader of corruption; however, he did little for crony capitalism and rent seeking of the past. These negative traits, nevertheless, cannot take away his positivity.

He has a profound knowledge of the varied subjects and an unending zeal to implement the dreams into reality. In true sense, he and his government appears as a great entrepreneur and innovator. The greatest achievement of the Modi government is that it has been able to instill confidence in the beleaguered masses riddled with corruption and inaction in economy that 21st century will be theirs and India along with world can reap the dividend of its young, skilled population.⁽³⁷⁾ The new philosophy regards demography as an asset to the nation. Creating faith and motivating masses are perhaps the most positive aspect of the Modi government. Other inspiring facet of Modi government is that the inaction in economy was followed by swift action with policies and programs. Programs for the development for agriculture and industrial sectors have been developed. Developments of large and small scale industries are envisaged. The effort of the government to develop industrial sector will encourage

use of higher technology and create jobs. Attracting FDI and technology, easing of rules of business are some of the initiatives undertaken for achieving this objective. The government has adopted a strategy to create a network of business activities encompassing tiny traders and businessmen, etc.⁽³⁸⁾ This plan will foster entrepreneurship, inspire innovation and create employment. The results of the Modi government efforts are encouraging. The GDP growth in last two years are around 7% and expected to grow in the range of 6.75% to 7.25% in the next fiscal year 2017-18.⁽³⁹⁾ Similarly, fiscal deficit was brought below to 3.5 per cent of GDP (It was 3.93%, 3.54% & 3.24% in FY 16A, FY17RE & FY18 BE respectively).⁽⁴⁰⁾ Inflation rate has been under control. All these achievements are laudable and instill confidence. Government activities are without corruption. Surging for dismantling corruption with demonetization was perhaps the greatest act of the present government. Development and regeneration of institutions in the form of creating NITI AYOJ is another one for which Modi government boast for. A direct outcome of the institutional change has been greater equality between the Aayog and the states and enhanced role for cooperative federalism.⁽⁴¹⁾ Dismantling more than 1200 rules⁽⁴²⁾ and Planning Commission are the another noteworthy departure from the previous government. Creation of economic and social institutions in the form of formal and informal traits is praiseworthy.⁽⁴³⁾ Institutionalization of indirect tax reform in the form of GST, enthusing and inspiring entrepreneurs with skill development programs, promoting innovations; opening of zero balance accounts; beti bachao & beti padhao, swachh bhara abhiyan and gender equality are some of the examples of institutionalized efforts with which the government is proceeding. Insisting on and adopting direct benefit transfers (DBT) and formation of GST is also a better sign of good governance. It is good to quote here Shri Jayant Sinha, Minister of Civil Aviation who said that “virtually every Indian will now have a basic safety net guaranteeing food, electricity, some employment, housing, a bank account, toilets, gas-based cooking, insurance coverage, micro-loans, and an all-weather road. In parallel small and large enterprises will be able to flourish in a transparent, rule-based environment that provides necessary facilities and financing. We are creating a robust new economy that will power long-term growth and job creation for New India”⁽⁴⁴⁾. In fact, Modi government is practicing new kind of economics mixed with the values, behavioral aptitude, attitudes and governs not only with rationality but also with the morality, traditions, etc. which was something missing from polity practiced in India.⁽⁴⁵⁾

However, Modi efforts are not without limitations. First, institutionalization of corruption less system is still lacking. Demonetization miserably failed due to coordination failure and unplanned and non-systematic endeavor of the government.⁽⁴⁶⁾ Acting in zeal for cleaning the economy pained many.⁽⁴⁷⁾ GST is yet another example of unplanned and un-systematic attempt of the government. Without creation of proper infrastructure⁽⁴⁸⁾ and training of the traders and other concerned ones, many fear that this endeavor of the government is also going to have the

similar fate like demonetization had. Institution of Planning Commission has been dismantled without giving serious thought of its consequences. Can we develop without development planning and model? Restructuring of Planning Commission on the lines of NITI AYOOG would have been a better option and the vital functions of NITI AYOOG like cooperative, competitive federalism and assisting central government in policy making should have been incorporated in that. Now the government has amended its decision by directing NITI Aayog to prepare a 15-year vision plan complemented by a seven-year strategy and three-year short-run macro framework plan.⁽⁴⁹⁾ Autonomy of RBI, many think, has been compromised.⁽⁵⁰⁾ The government has appointed a monetary policy committee to take policy decisions. This step, in fact, curtails the powers of RBI Governor. Similarly, PM's address to the nation instead of RBI Governor, the statutory head of banking sector, on 8th November, 2016 for pronouncement of demonetization and subsequent releases and statement made by the FM undermined the authorities of RBI. In fact, RBI had to amend its decisions more than 60 times in 43 days of demonetization.⁽⁵¹⁾ Likewise, Modi government is claiming that it has been able to provide environment clearance fast for the construction of road. However, some feel that there have been a large number, rather, quite, changes in environmental regulation in green clearance—a great deal of relaxation has been given, which is in the wrong direction.⁽⁵²⁾ Similarly, though the Modi's government avowed policy is decentralization in decision making with transparency and it has adopted ease of doing business yet in reality all major decisions are taken today in Prime Minister's Office (PMO)⁽⁵³⁾ tantamounting to centralization of decisions. This is against the policy of good governance.⁽⁵⁴⁾ Rigorous and intensive discussions at different forums either in the government or party levels on the economic issues are not visible. Programs have been introduced at different intervals indicating lack of a coherent policy. PM monitored initial 100 days programs achievements of different ministries rigorously; however, rigorous monitoring, despite 17th round of monitoring recently, has still been a challenge. The government effort to transform the rural sector has not paid dividend and transfer of manpower from agriculture sector to non-farm agricultural activities is still a distant reality. Farmers are still dying. Similarly, despite Dr. B R Ambedkar⁽⁵⁵⁾ and Shri D D Upadhyay⁽⁵⁶⁾ advocacy for development through mixed economy concept, the present government is running away from this concept and furthering the policy of disinvestment of public sector.⁽⁵⁷⁾ Linking of rivers which was a dream project of Shri A.B. Bajpai government and for which the present government had also shown a great concern and interest in its first (interim) budget, now finding this program to be on the back seat. Universal basic income, a concept that fosters inclusiveness and drawing a mention in economic survey-2016-17⁽⁵⁸⁾, however, finds no mention in the recent budget. Similarly, Modi government has pinpointed its efforts to develop 100 Smart cities around the country that can become nodal centers for development. However, in the passion of development of this policy, the policy of developing smart villages⁽⁵⁹⁾ as proposed in different quarters has not emerged in a big way. The policy of erstwhile leadership of BJP to develop gramya

swaraj and foster swadeshi, has neither been debated nor accepted right now. Likewise, bank lending interest is being reduced for accelerating investment. However, what will happen to the small savers is not been properly assessed. Small savers are badly affected with reduction in interest⁽⁶⁰⁾. Savers are asked and encouraged to invest their money in the capital market and they are discouraged to save in banks. The government has adopted this policy to foster the capital market. However, industry friendly government is providing cheap loan to industrialist and little has been done to discourage them to take loan from the banks and garner more funds from the capital market. The result of this policy is creating havoc. More and more bank loans are becoming bad loans. Banks are heavily reeling under the pressure of bad debt.⁽⁶¹⁾ Loans to farmers are waived recently by BJP government in Uttar Pradesh on the behest of Prime Ministers assurance, that triggered the demand for loan waiver from farmers of other states too. Modi government will have to give a serious thought on these issues. Of late, central government through RBI has been investigating NPA problem and Banks are being merged so that their resources can be augmented. However, some feels that focus should be on cleaning the bank books, rather than mergers because it would not be an easy task to do so.⁽⁶²⁾ It would not be out of place to quote the recent debate initiated by ex-Finance Minister Shri Yashwant Sinha who bitterly criticized the government and said, “ private investment has shrunk as never before in two decades, industrial production has all but collapsed, agriculture is in distress.. Demonetization has proved to be an unmitigated economic disaster, a badly conceived and poorly implemented GST has played havoc with businesses and sunk many of them and countless millions have lost their jobs with hardly any new opportunities coming the way of the new entrants to the labour market. Far quarter after quarter, the growth rate of the economy has been declining...The Prime Minister claims that he has seen poverty from close quarters. His Finance Minister is working over-time to make sure that all Indians also see it from equally close quarters”.⁽⁶³⁾ These are very harsh criticism of the government, however, there is some truth in that. Despite it, fact also emerges from the above discussion that a new economy is emerging on the debris of old ones with the help of policies, programs and institutions that fosters the development of all sectors, all sections and all spheres of the society with human values. The proactive leadership with the help of commensurate philosophical dogma is guiding the nation that takes it with enthusiasms, however, requires certain requisite reforms in its vision, mission and activities to foster the pace of development without jobless growth.

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