



Ambedkar Times

Weekly

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Ambedkar Times and Desh Doaba congratulate Prof (Dr.) Ronki Ram

Ambedkar Times and Desh Doaba Weekly Newspapers congratulate Prof (Dr.) Ronki Ram, Dean (Faculty of Arts) and Shaheed Bhagat Singh Chair Professor of Political Science, Panjab University (Chandigarh), on recent conferment of the status of Visiting Professorship on him in the Faculty of Arts, Business and Social Sciences at the University of Wolverhampton (UK).

The Visiting Professorships are for duration of two years maximum, but can be extended if required.



Prem K. Chumber
Editor-In-Chief:
Ambedkar Times & Desh Doaba

Need For More Targeted Approach to COVID

a county-based system. I am proud to say that I have joined my fellow elected leaders in writing the Governor and the State Secretary of Health and Human Services, urging them to employ a system that makes more sense.

On October 5th, Assemblyman Kiley, Senator Dahle,

to shop, dine, and enjoy a somewhat normal lifestyle. Because the State insists on sticking with a County-based approach, Folsom businesses are left to suffer without the ability to open fully.

When asked whether the State would consider a zip-code based system during a hearing, the acting State Public Health Officer insisted that they had to continue to let the data at the County level determine reopening.

Then, in a contradictory move, the State announced that data from disadvantaged communities would be added as a factor in a County's reopening ability. While it is essential to ensure that COVID-19 does not disproportionately impact disadvantaged communities, this also proves that the data we use to

cross county lines can focus on putting kids back in classrooms and not navigating conflicting jurisdictional restrictions.



Sue Frost
Sacramento County Supervisor

To me, helping the communities struggling the most while helping everybody by allowing businesses to open seems like a clear win-win scenario.

It is irresponsible to carry on with a system based on the assumption that county lines stop the spread of COVID-19. For more than

File Pic



As everyone is painfully aware, the State of California remains in lockdown as we wait for the end of the COVID-19 pandemic. Since mid-March, schools and businesses have been forced to remain fully or partially closed. We are now on our second or third version of a reopening model, but unfortunately, it still does not make a whole lot of sense. The latest model is a tiered system, placing counties into a different colored tier based on daily new cases and positive test rates. The "Blueprint for a Safer Economy," as this model is called, still ignores the deficiencies of

Folsom Mayor Aquino, and I signed a joint letter asking for a reopening system that focuses on zip codes, not counties. We did so because cities like Folsom are meeting the levels of testing and positivity rates to advance tiers faster than the County. Meanwhile, Folsom shares a border with El Dorado Hills, which is advancing tiers significantly faster than Sacramento County, allowing for the reopening of schools and businesses ahead of Folsom. To the surprise of no one, El Dorado Hills having more businesses open has caused Folsom residents to cross the county border

reopen is arbitrary. California could benefit from looking to New York, where the Governor has decided to focus resources based on, you guessed it, zip codes.

Folsom and El Dorado Hills are not the only California cities that are separated by nothing more than a line on the map. Shifting the approach of the State to one focused on zip codes enables us to simultaneously focus COVID-19 resources in the most heavily impacted communities while allowing businesses in less impacted areas to reopen safely. Moreso, school districts that

half a year, businesses have been forced to stay closed or operate at a reduced capacity.

Businesses and families are suffering, and not just from COVID-19, but an inability to pay bills and put food on the table. We are beyond the point of doubling down on a flawed system to make it seem like there is some level of control. I sincerely hope that the Governor and state leaders will take the words of my colleagues and I seriously and rethink the "Blueprint to a Safer Economy."

SHRINKING GDP IN INDIA: CAUSES AND CONCERNS

ABSTRACT

The GDP growth rate of India has been shrinking after 2016-17. Unemployment reached a 45-year high. Industrial output from the eight core sectors at the end of 2019 fell by 5.2 per cent which was the worst in 14 years. Private sector investment had been stagnant for several years and declining in recent times and consumption expenditure had also been falling, for the first time in several decades. Now, COVID-19 pandemic has added fuel to the fire by contracting growth rate of India to -23.9 per cent for first quarter of the financial year 2020-21 as compared to that of same quarter of last year. The COVID-19 pandemic badly affected the manufacturing and services sectors. Agricultural sector is the sole bright spot which recorded growth rate of 3.37 per cent in the first quarter of 2020-21 against 2.97 per cent in the same quarter last year.

Gross Domestic Product (GDP) is important because it gives information about the size of the economy and how an economy is performing. The growth rate of real GDP is often used as an indicator of the general health of any economy. In broad terms, an increase in real GDP is interpreted as a sign that the economy is doing well. When real GDP is growing strongly, levels of employment and income are likely to be increased, and consumers are purchasing more. When GDP is shrinking, as it did in many countries during the recent global economic crisis, levels of employment and income often decline (IMF, 2020). Therefore, for the developing countries, high GDP growth is essential to meet the growing needs of the population. However, the GDP growth rate of India has been shrinking after 2016-17. Unemployment reached a 45-year high. Industrial output from the eight core sectors at the end of 2019 fell by 5.2 per cent which was the

worst in 14 years. Private sector investment had been stagnant for several years and declining in recent times and consumption expenditure had also been falling, for the first time in several decades (Dev and Sengupta, 2020). Now, COVID-19 has added fuel to the fire by contracting

growth rate of India to -23.9 per cent for first quarter of the financial year 2020-21 as compared to that of same quarter of last year, i.e., 2019-20 (Gol, 2020)

The outbreak of COVID-19 has impacted nations in an enormous way, especially the nationwide lock-



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downs which have brought social and economic life to a standstill. A world which forever buzzed with activities has fallen silent and all the resources have been diverted to meeting the never-experienced before crisis. There is a multi-sectoral impact of the virus as the economic activities of nations have slowed down (Chaudhary, Sodani, & Das, 2020). The International Labour Organization (ILO), in its report (2020), explained that the crisis has already transformed into an economic and labour market shock, impacting not only supply (production of goods and services) but also demand (consumption and investment). The International Monetary Fund's (IMF) chief said that, 'World is faced with extraordinary uncertainty about the depth and duration of this crisis, and it was the worst economic fallout since the Great Depression'.

This COVID-19 pandemic affected the manufacturing and services sectors—hospitality, tours and

goods and services by the consumers in the market on the other, thus leading to a collapse in economic activity. However, lockdown and physical distancing are the only cost-effective tools available to prevent the spread of COVID-19 (Chaudhary, Sodani, & Das, 2020). The main objective of

the article is to analyse the GDP growth of India. This article is based on secondary data released by the government institutions and the different studies.

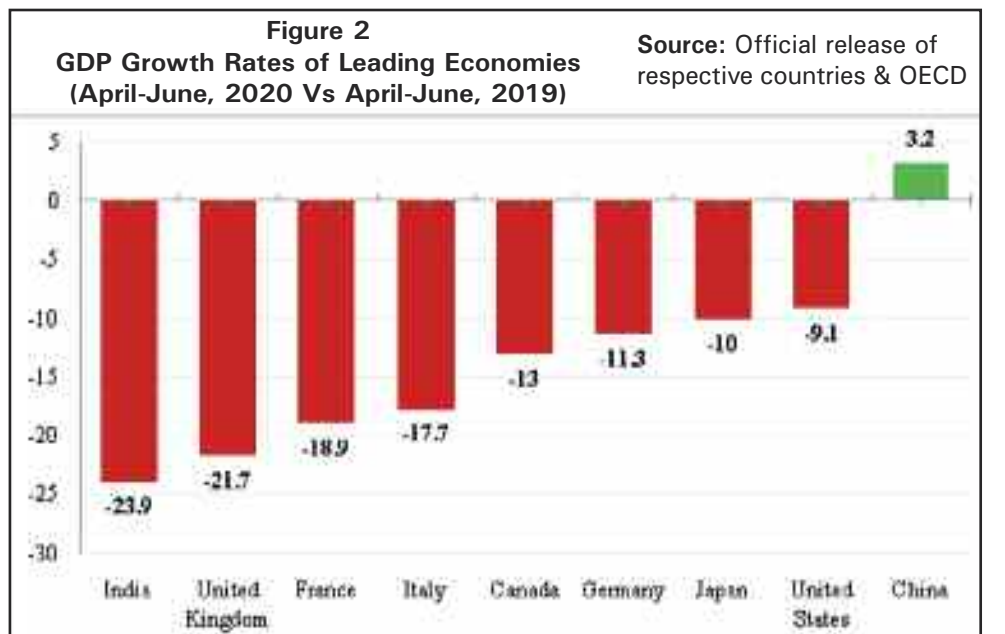
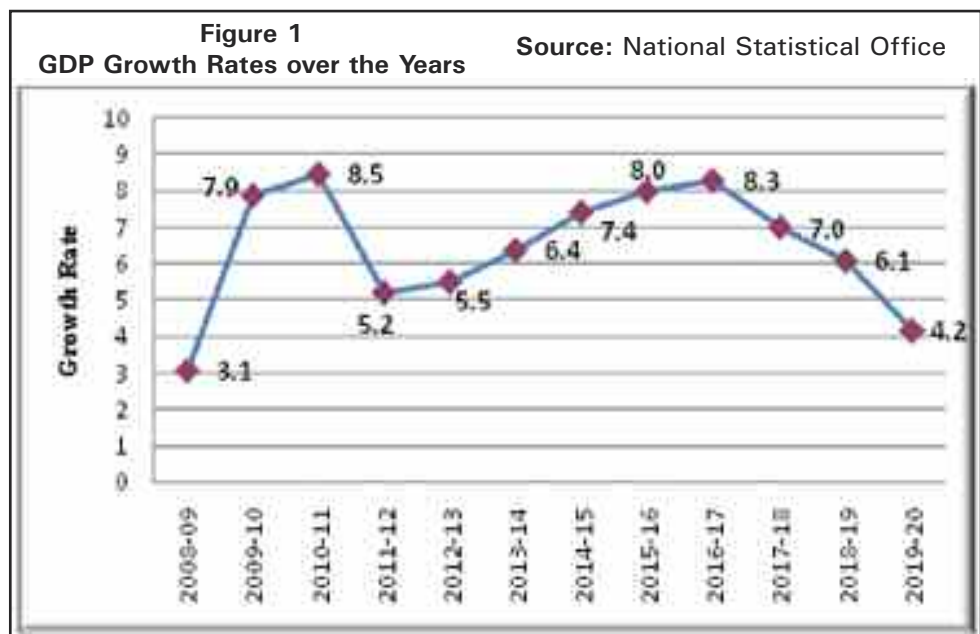
Nobel Laureate Abhijit Banerjee is of the opinion that India is among the worst performing economies in the world and the government's economic stimulus was inadequate to tackle the problem. Speaking at a virtual event, Banerjee said that the country's economic growth was slowing down even before the COVID-19 pandemic hit as real GDP growth had moderated from 7 per cent in 2017-18 to 6.1 per cent in 2018-19 and 4.2 per cent in 2019-20. (The Economics Times, 2020). According to the official statistics, GDP growth slowed to 4.2 per cent in 2019-20, the lowest level since 2009-10. India's growth rates since 2008-09 are presented in Figure 1.

It is evident from the figure

economy became unusable overnight owing to a government decree, followed by the haphazard introduction of the Goods and Services Tax (GST) in 2017 (Dev and Sengupta, 2020). Now, the lockdown imposed to prevent the spread of COVID-19 in the last week of March, 2020 ceased the economy on demand and supply sides. This crisis comes at a time when India's GDP growth was already slowing down, and unemployment was on the rise owing to poor economic performance over the last several years (Singh, Pal, & Jyoti, 2020).

According to a press note released by the Ministry of Statistics and Programme Implementation (MoSPI), Government of India on 31st August 2020, GDP at constant prices (2011-12) in first quarter of 2020-21 is estimated at Rs. 26.90 lakh crore, as against Rs. 35.35 lakh crore in the first quarter of 2019-20, showing a contraction of -23.9 per cent as compared to 5.2 per cent growth in Q1 2019-20 (Gol, 2020). The nation-wide lockdown due to COVID-19 is cited as the main reason for the contraction. Apart from India, major economies across the world were also impacted due to COVID-19 and most of them reported a contraction in their GDP during this quarter, though not at India's level (Figure 2).

For the comparative analysis of India's GDP growth rate with other major economies, we have considered the G-7 countries which are the most developed economies. These include – Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States. We have also considered China, which is the second largest economy in the world in terms of nominal GDP. It is evident from Figure 2 that India is among the worst performing economies in the mentioned countries. As mentioned earlier, the GDP of India contracted by



worst in 14 years. Private sector investment had been stagnant for several years and declining in recent times and consumption expenditure had also been falling, for the first time in several decades (Dev and Sengupta, 2020). Now, COVID-19 has added fuel to the fire by contracting

travels, healthcare, retail, banks, hotels, real estate, education, health, IT, recreation, media, and others. The economic stress has started and will grow rapidly. While lockdown and physical distancing result in productivity loss on the one hand, they cause a sharp decline in demand for

that Indian economy has been experiencing slow growth rate after 2016-17. This is because of the two monetary reforms taken by the government which proved shocks for the economy. The first shock was demonetisation in November 2016 when 86 per cent of the money in the

-23.9 per cent during April-June, 2020 compared to April-June, 2019. The United Kingdom has contracted the most within the G-7 countries and slightly better than India with -21.7 per cent in April-June, 2020 compared with the same period last

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SHRINKING GDP IN INDIA: CAUSES AND CONCERNS

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 year. As per the information provided by the respective government departments of France and Italy, the contraction in the second quarter of 2020 was -18.9 and -17.7 per cent respectively. They are followed by Canada, whose contraction is calculated at -13 per cent compared to same time last year. Germany reported a contraction of -11.3 per cent. Japan and the United States which have reported annualized GDP rates, have their GDP growth rates

provided by the different countries during the lockdown period.

Industry—wise estimates of Gross Value Added (GVA) at basic prices in first quarter (It is evident from Table 3 that expect agriculture, forestry and fishing, all the other industries recorded negative growth rate in the first quarter of 2020-21 as compared to the first quarter of previous year. Construction (-50.25 per cent); trade, hotels, transport, communication & services related to

Rs. 73,500 crore having been paid to them towards Minimum Support Price (MSP) for wheat. This would help alleviate rural distress at this time arising due to reverse migration of people from cities amid the pandemic (Gol, 2020a).

Recently, the Central Government passed three bills related to the agricultural sector, i.e., (i) The Farmers Produce, Trade and Commerce (Promotion and Facilitation) Act,

under State Agricultural Produce Marketing legislations. It basically aims to create trading opportunities outside state-run Agricultural Produce Marketing Committee yards. The Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020 provides for a national framework for agreements with the farmer by any third party. It is an enabling legal framework for contract farming. The Essential Com-

S. No.	Components	April-June (Q1)			Percentage change over previous year	
		2018-19	2019-20	2020-21	2019-20	2020-21
1.	Private Final Consumption Expenditure	18,89,008	19,92,957	14,61,164	5.30	-26.88
2.	Government Final Consumption Expenditure	3,93,709	4,18,248	4,86,636	6.23	16.35
3.	Gross Fixed Capital Formation	82,670	11,32,195	5,99,192	4.37	-47.08
4.	Change in stocks	64,133	87,327	53,338	4.99	-20.78
5.	Valuables	41,080	51,347	4,645	24.99	-90.95
6.	Exports	6,86,695	708,546	5,67,961	3.18	-19.84
7.	Imports	8,08,933	825,788	492,286	2.08	-40.39
8.	Discrepancies	10,803	-9,376	8,908	NA	NA
	GDP	33,89,162	35,35,267	26,89,556	5.24	-23.92

Source: Ministry of Statistics & Programme Implementation, Government of India, 2020
 NA not applicable

calculated at -10 and -9.1 per cent respectively during April-June, 2020 compared to the same quarter in 2019. Among the leading economies, only China has reported a positive growth with 3.2 per cent.

The analysis rejected the projections of the World Bank (2020) and the International Monetary Fund (IMF) that the growth rates of Advanced Economies (AE) will be shrunked more than the Emerging Market and Developing Economies (EMDE). But Figure 2 shows India is among the worst performing economies in the world.

Table 1 shows the estimates of various components of GDP in first quarter of 2020-21 at 2011-12 prices. The table shows that GDP at constant prices (2011-12) in first quarter of 2020-21 is estimated at Rs. 26,89,556 crore, as against Rs. 35,35,267 crore in first quarter of 2019-20, showing a contraction of 23.92 per cent as compared to 5.24 per cent growth in first quarter of 2019-20.

The different components of GDP recorded positive growth in the first quarter of 2019-20 but the growth rate of these components became negative in the first quarter of 2020-21 expect 'government final consumption expenditure' which recorded 16.35 per cent growth. The main reason of the positive growth in government final consumption expenditure is that government was under deep pressure to spend its funds on public utility goods. Despite sharp declines in wage incomes and self-employed livelihoods during lockdown, the government relief was minuscule as compared to the support provided by the governments of other countries (Das and Patnaik, 2020). Table 2 shows the government supports

broadcasting (-47.01 per cent); manufacturing (-39.30 per cent); and mining & quarrying (-23.27 per cent) registered maximum negative growth rate.

Agriculture and allied sector—was the sole bright spot amid the dismal GDP performance of other sectors, clocking a growth rate of

Industry	April-June (Q1)			Percentage change over previous year	
	2018-19	2019-20	2020-21	2019-20	2020-21
1. Agriculture, Forestry & Fishing	427177	439843	4,34,638	2.97	3.37
2. Mining & Quarrying	88634	92807	71,209	4.71	-23.27
3. Manufacturing	561875	578936	3,51,396	3.04	-39.30
4. Electricity, Gas, Water Supply & Other Utility Services	74998	81628	75,877	8.84	-7.05
5. Construction	249913	262828	1,30,750	5.17	-50.25
6. Trade, Hotels, Transport, Communication & Services related to Broadcasting	609330	630860	3,34,284	3.53	-47.01
7. Financial, Real Estate & Professional Services	757850	803322	7,60,490	6.00	-5.33
8. Public Administration, Defence & Other Services	387389	417483	3,74,656	7.71	-30.26
GVA at Basic Prices	3157366	3307707	25,53,320	4.76	-22.81

Source: Ministry of Statistics & Programme Implementation, Government of India, 2020

3.37 per cent at constant prices in the first quarter of 2020-21 against 2.97 per cent in the same quarter last year (Business Standard, 2020). Procurement of wheat from farmers by the government agencies has touched an all-time record figure of 388.3 Lakh Metric Tonnes (LMT) surpassing the earlier record of 381.48 LMT achieved during 2012-13. This has been accomplished during the trying times of COVID-19 pandemic under social distancing restrictions. As many as 42 lakh farmers have benefitted with total amount of about

Country	Government Support
U.S.	Gave financial assistance for families of \$1200 for each adult and \$500 for children and \$250 billion to enhance unemployment insurance.
Canada	Provided income support of Canadian \$2000 per month (for up to four months) to those who are unemployed due to COVID-19.
U.K.	All employers got 80 per cent government aid for next three months for payment of employee's wages of up-to Pound 2500 per month.

Italy	Euro 5 billion top up on salaries supplementation scheme for those employees who have been granted for long leaves plus one-off payments to various other employees.
France	Employees were granted an allowance of approx. 84 per cent of their net wages and 100 per cent for minimum wage workers.
Germany	Employees got a benefit of Euro 26 billion insurance fund which guarantees employees at least 60 per cent of their basic pay.
Japan	Announced a cash payout of 100,000 yen for all its residents.
Australia	Granted wage subsidy to businesses for 6.5 per cent of GDP or an amount of Australian \$130 bn.
India	Announced Rs. 20 Lakh Crore (10 per cent of GDP) relief package for the poor but much from it was in the form of credit guarantees and other liquidity provision.

Source: Das and Patnaik, 2020

modities (Amendment) Act, 2020 amends the Essential Commodities Act, 1955 to remove most important agricultural commodities from the list of essential commodities. The government assumes that "the freedom to produce, hold, move, distribute and supply will lead to harnessing of economies of scale and attract private sector/foreign direct investment into agriculture sector. It will help drive up investment in cold storages and modernisation of food supply chain. The government claims that this act will help achieve price stability and benefit consumers, it will primarily help traders.

Despite the government's claims, not one of these Acts will benefit farmers in any way. The farmers from the states of Punjab and Haryana are protesting against all the three Acts. The government has passed these bills under the influence of corporate sector. By these acts, the corporate sector will enter in the agricultural sector and exploit the farmers. Agricultural sector is the most job-oriented sector in India. If it is captured by the corporate sector, then income of the farmers would reduce by the discriminatory policies of the corporate sector. It will increase the inequality and poverty in the country. Low income of the masses will result in low demand. Because of all these facts, growth rate of India

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2020; (ii) The Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020; and (iii) The Essential Commodities (Amendment) Act, 2020. The Central Government is explaining that these bills would benefit the Indian farmers and transform the agricultural sector.

The Farming Produce, Trade and Commerce (Promotion and Facilitation) Act, 2020, will promote barrier-free inter-state and intra-state trade and commerce outside the physical premises of markets notified

Vidya Bhushan Rawat

Ram Vilas Paswan



Union Minister Ram Vilas Paswan's sudden demise last night has definitely created a big vacuum particularly if we speak Bihar politics. Paswan was a very seasoned leader, a powerful orator and a leader with the masses who broke many records while entering in Parliament. His record win from Hazipur and other constituencies in Bihar showed his grip over the masses.

Ram Vilas Paswan's best year and I can say formative years were 1989-1990 under the VP Singh government where he spearheaded campaign for social justice and was one of the key ministers along with Sharad Yadav to have campaigned strongly for the implementation of the Mandal Commission Report. The three leaders, V P Singh, Ram Vilas Paswan and Sharad Yadav got the maximum abuse and scorn from those who hated reservations and felt that these three were responsible for Mandal. But that is not the only thing. Prime Minister V P Singh depended a lot on Ram Vilas Paswan for advice and the result was various committees for Dr Ambedkar Centenary Programme, declaration of April 14 as public holiday, portrait of Baba Saheb in Parliament, reservation for neo Buddhists and Bharat Ratna for Baba Saheb Ambedkar were the major decision of that government and definitely contribution of Ram Vilas Paswan in influencing the prime minister and the cabinet that time can not be done away with.

Paswan might have emerged during JP era but he really flourished during 1989-90 and stood solidly with V P Singh when Chandra Shekhar broke away with the Janata Dali and formed a separate party and then government with the support of Congress Party.

Ram Vilas Paswan was definitely a prime minister material as we know in India, independent Dalit identity is unacceptable to political leaders. He showed sign of outreach to various people, Ambedkarite in India and abroad. He started a magazine named as Nyay Chakra and also formed 'BhimSena' with members across the country. He nurtured a number of Ambedkarites as well as other intellectuals and got organised various international conferences on Dalits and minority rights in India and abroad. It was that time, he got in touch with various Ambedkarites abroad who too felt the same way but given the political nature of Bihar's social justice politics dominated by the former leaders of JP movement, he found at odd with them.

While many of his supporters and those of us who felt that he was a potential candidate for the prime ministership, the post Mandal politics of Bihar never allowed him. His

own space became questionable with the Mandal forces, a thing which we all know he was one of the most important members of the cabinet to have influenced the decision. He stood up with Dalit, OBCs and minorities and yet when the politics in his own home state came, he found himself completely unwanted by the social justice biradari of politicians. All those who cried against brahmanical hegemony were not ready to give him space.

Paswan realised this that it is difficult to survive in politics with one community and hence he nurtured a number of Rajput leaders too in Bihar. In later politics, he realised that he can only remain relevant if he remain in power and for that he definitely compromised with his ideology but it is also a fact that when he came out of NDA citing Gujarat 2002 and became part of UPA, RJD and JDU were uncomfortable with him and he was virtually out of UPA and joined NDA.

It brings us to another important point and need to great introspection from us all. It is often blamed that Dalit politicians 'compromised' and joined hand with BJP though the fact is BJP has all, Brahmins, Thakurs, Bhumi-hars, OBCS, Baniyas but then the blame always goes to Dalits and Dalit leadership particularly by the 'brahmanical seculars' who have occupied secular spaces and not merely in politics but everywhere, cultural spaces, media as well as protests. Autonomous Ambedkarites are unwanted in all these schemes of the things. One or two who find their way in media or these protests seminars are there because brahmanical seculars have their patronage and privileges in media.

Why I am saying this because failure of these social justice parties to accept Ram Vilas Paswan, a leader who became leader not because of some gift but purely by dint of his hard work and massive mass contact result in their going in other camps which is 'despised'. Ultimately it is the power politics.

It brings us to other point that why it is important to have independent Ambedkarite polity and then negotiate according to their own position and not as a tail-ender of these powerful privileged parties. The one man who could challenge the monopoly of the brahmanical intellectualism and political sophistry was ManywarKanshiram who from the day one never roamed around these manuwadi media and parties to get legitimacy. His focus was building his own cadre and party. I think, every Ambedkarite should think of that model. Ofcourse, we need to ally but no alliance can be possible if the secular social justice parties ignore the agency of Dalits to take a decision about themselves which mean

that secular parties will have to respect the autonomy of Dalit political groups and parties to build a big coalition.

Today, we remember ManywarKanshiram Saheb on his 15th death anniversary. Important to remember his work, his pragmatism and his connect with masses. He created leaders from cadres who were dedicated Ambedkarites. He knew it well that political parties and media will not speak about you unless you have your own strength and autonomy. Ram Vilas Paswan had good connections with media and brahmanical elite but at the ground zero he found himself isolated because none of the current leadership was ready to accept him as a leader and this is ironical as he was the man who always won his elections through record margins. In fact, he held that record margin in the Guinness Book of world Record.

Ram Vilas Paswan rarely spoke to Miss Mayawati or ManywarKanshiram. His politics was different but when he decided his own way in Bihar, it was categorical that the man who once aspired to be the prime minister, was not even being looked as a chief minister for Bihar but his own colleagues. That reflect the nature of India's political structure where caste prejudices are so powerful that it make it difficult for the Dalits to be in driving seat politically. In UP they could do so because there was a strong Ambedkarite movement unlike Bihar where Dalit movement is still at the very nascent stage. It also reflect the pattern that anti brahmanism is not should not become a slogan for the next of the communities to dominate and then deny space to those who are lower in the caste ladder. Important for all of us to embrace Phule-Ambedkar-Periyar's ideology, strengthen anti caste movement and build a bigger bahujan alliance. Ram Vilas Paswan could not build an ideological alliance as he did not have the same cadre which the BSP build up on a strong Ambedkarite philosophy and the result is that BSP became a movement despite the fact as a party it is politically weak in most of the places except Uttar Pradesh but the movement never dies. Political parties might come and go but the socio cultural movement will always remain. Ram Vilas Paswan build a political party which is like any other political party without a proper ideological cader and hence difficult to predict what will be the future of the party after his demise. He got blamed for promoting his family everywhere like the other social justice parties.

It is here I would say that ManywarKanshiram is the biggest role model for all of us. The man who left everything to build a

movement and remain grounded till end. An enlightened Ambedkarite political movement has to spread its outreach and build alliances and coalition. India can not be run through one state, one community, one religion domination. We will have to build alliances and make leaders from cadres as that only will be the way to success. Parties will come and go but movement remain and Ambedkarite movement will ensure that even when a political party is weakened, the hopes will not dash and people will rise up to the occasion. That is why we must respect ManywarKanshiram for building Ambedkarite politics a reality and purely independent which can then negotiate with other like minded groups on the basis of a common minimum programme.

My tribute to Ram Vilas Paswan, as a Minister he was effective but his political legacy has very little meaning for the Ambedkarite movement unlike ManywarKanshiram whose legacy will always remain and give hope to people. Ram Vilas had potential to build up the movement but he abandoned that so while he might have become Minister in the later stage, he dashed the hopes of those who thought big of him because perhaps he was not keen to build up the movement or strengthen it. Manywar, Kanshiram created huge cadre and that is where even if BSP is not in power, people will always remember him for his contribution to give them hope, autonomy and political alternative. My humble tribute to both of them.

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will become low and level of unemployment will rise. With these Acts, corporate sector will grow more. The election slogan of the BJP government was "sabka saath, sabka vikas". The people gave the absolute majority to the BJP in the Lok Sabha in 2014 and 2019 but the government is engaged in the growth of corporate sector.

April-June) of 2020-21 are given in Table 3. The table shows that GVA at basic prices for the first quarter of 2020-21 is estimated at Rs. 25,53,320 crore as against Rs. 33,07,707 crore in first quarter of 2019-20, showing a contraction of 22.8 per cent.

CONCLUSIONS AND POLICY IMPLICATIONS

The above discussion and analysis reveals that the GDP growth rate of India has been shrinking after 2016-17. Unemployment reached a 45-year high. Consumption expenditure has also been falling in the economy. The crisis in the economy is from the demand side. To increase the demand in the economy, employment must be increased. Liquidity in the rural sector is more important than anywhere else because the Marginal

Propensity to Consume (MPC) is significantly higher in the rural sector than elsewhere. Therefore, government should take steps to increase the income of the rural population. For it, agro-based small industries should be established in the rural areas. Agricultural sector must be strengthened because majority of the population depends directly or indirectly on agricultural sector. The government must nullify its recent passed agricultural related Acts. The Government should also provide full year job under MGNREGA to the poor families at the prevailing marketing wage rates in the rural areas. The MGNREGA workers should be employed on the community land of the village under the supervision of panchayats. The revenue generated from these activities should be reinvested to employ more people in the village. To reduce the inequality and poverty among the population, the government should monitor the activities of the corporate sector. NPAs of the corporate sector should be reduced and funds should be used for the poor. The government wrongly implemented the policies of demonetisation and GST which hampered the private sector investment in the economy. So, the government should take care of the harmful

outcomes while implementing such type of policies. To achieve sustainable development, the Central and State Governments must adopt pro-people and nature economy model leading to the domination of public sector and start monitoring/regulating of private sector. The Governments must strictly implement the environmental productive laws.

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