

WAITING FOR REFORMS**The stimulus incentives hold promise, but structural reforms are nowhere on the horizon**

People who have been yearning for major economic reforms from the Narendra Modi government, it seems, will have to wait to have their dreams come true. Finance Minister Nirmala Sitharaman on Saturday presented the third round of stimulus measures to resuscitate the struggling economy, but once again these have largely failed to live up to the initial hype around them. The previous two rounds of the stimulus plan, presented at press conferences held by the Minister over the last few weeks, focused primarily on reviving the automobile sector, boosting the confidence of foreign investors who were spooked by the Budget announcements in July, and improving the health of dangerously fragile state-owned banks by doing everything short of privatising them. This time around the focus has been on helping out the underperforming export and real estate sectors through piecemeal fiscal reforms. Among other things, Ms. Sitharaman announced a new tax refund scheme and greater priority sector lending for the export sector to incentivise exports. It is expected that the new tax breaks to the exports sector will cause a dent of up to ₹50,000 crore to the government's revenue. Further, external commercial borrowing norms have been eased to make it easier for Indian real estate companies to tap funds from abroad, and funds worth ₹10,000 crore have also been allocated to aid the completion of affordable housing projects. With lack of demand and major supply-side bottlenecks being the primary issues facing exports and real estate, it is doubtful whether the present measures will be enough to revive these flailing sectors.

Overall, cutting across all three stimulus rounds announced till date, the government has been relying almost entirely on providing fiscal relief, in the form of tax cuts coupled with a tiny amount of government spending, to wade through what seems like a structural crisis in the economy. The hope seems to be that these measures combined with a looser monetary policy stance adopted by the RBI will boost spending and revive growth. This is, however, a far cry from what many expected from a government that promised radical structural reforms when it rose to power in 2014. Without enacting any major supply-side reforms like land and labour reforms that can raise potential growth, it is also hard to see how greater spending can raise growth for very long. The government may believe that the present slowdown, marked by five consecutive quarters of dropping growth, is merely a cyclical one. But given the size of its victory in two consecutive elections, the government should aim higher by trying to push through long-pending structural reforms that can raise India's growth trajectory to the next level.

<u>Words</u>	<u>Kind</u>	<u>Meaning</u>
Reforms	Noun	Improvement, betterment, amelioration, rectification
Stimulus	Noun	Spur, stimulant, encouragement, impetus

Incentive	Noun	Inducement, motivation, stimulus, impulse
Resuscitate	Verb	Revive, get over, come round
Struggle	Verb	Fight, grapple, scuffle, tussle, bout
Hype	Noun	Publicity, advertising, promotion, propaganda
Revive	Verb	Resuscitate, reinvigorate, revitalize, energize, fortify regenerate
Boost	Verb	Enhance, spur, augment, elevate, escalate
Spook	Verb	Frighten, unnerve, intimidate, cow down
Announcement	Noun	Declaration, proclamation, heralding
Fragile	Adj.	Breakable, tenuous, brittle, frangible
Piecemeal	Adj. & Adv.	Little, gradually, slowly, by fits and starts
Incentivise	Verb	Encourage, stimulate, prod, persuade
Norms	Noun	Standard, usual, average, predictable
Allocate	Verb	Allot, assign, issue, award, administer
Affordable	Adj.	Inexpensive, payable, reasonably priced
Bottlenecks	Noun	Traffic jam, congestion, gridlock, tailback
Flailing	Adj.	Waving, swinging, thrashing, about
Rely	Verb	Confide in, depend, count, bank, reckon
Fiscal	Adj.	Financial, economic
Tiny	Adj.	Miniature, microscopic, nanoscopic, micro
Wade	Verb	Attack, set upon, assault, fly at, turn on
Enact	Verb	Make law, pass, approve, ratify, validate
Potential	Adj.	Possible, prospective, probable, budding
Trajectory	Adj.	Course, route, path, track, ambit, orientation

EFFORT WORTH EMULATION

Rajasthan's Jan Soochna portal is a step in the right direction for transparency in governance

Fourteen years since the implementation of the groundbreaking Right to Information (RTI) Act, which has helped shed light on government works and administration, the launch of the "Jan Soochna Portal" (public information portal) by the Rajasthan government on Friday marks a milestone in increasing transparency and accountability in governance. The portal details various schemes run by 13 government departments — the employment guarantee programme, sanitation, the public distribution system among others, by not only explaining the schemes but also providing real time information on beneficiaries, authorities in charge, progress, etc. The information provided is in-depth, covering the

whole gamut from the districts, blocks and panchayats, allowing access to details of schemes implemented at these levels. This is a laudable effort by the State government which is worthy of emulation by other States. The RTI Act had dealt with the citizen's right to know about public information and required public authorities to expeditiously provide information on request from the citizenry. This aspect of the Act brought a sea change in accountability and has led to the possibility of a well-informed citizenry on the workings of the government.

While RTI filings have increased exponentially and RTI-activism has become part and parcel of civil society, there have been dilutions in the Act pertaining to the appointments of information commissioners, therefore impinging on their autonomy. Besides, the response rate to RTI requests has also slowed down compared to the flurry in the immediate aftermath of the Act's implementation. These problems with the RTI law apart, it is important to note that Section 4(2) of the Act, which specifically enjoins upon public authorities to publish information pro-actively, has not been implemented holistically so far. While government departments have successfully taken to e-governance and there has been a rapid release of public information on various government-run websites, this information has often been parcelled, dispersed and difficult to parse. Some of the better maintained central websites have also tended to deploy "dashboard" information, which is meant more to showcase data and records rather than release structured information for extensive study and for the knowledge of the citizenry. As a one-shot portal for public information on government programmes, the JSP, therefore, can advance the objective of transparency. The challenge would be to ensure that the information flow remains unhampered over time. Besides this, it is important to educate the citizenry about the use of data on the portal. While digital connectivity and literacy have increased over time, these have not adequately translated into digital knowledge of public affairs.

<u>Words</u>	<u>Kind</u>	<u>Meaning</u>
Effort	Noun	Attempt, try, endeavour, strive, exertion
Emulation	Noun	Ditto, echo, re-echo, repeat
Transparency	Noun	Translucency, lucidity, pellucidity, limpidness, limpidity
Ground breaking	Adj.	Innovative, pioneering
Milestone	Noun	Significant, break through, landmark
Accountability	Noun	Responsibility, liability, answerability
Sanitation	Noun	Cleanliness, hygiene, asepsis
Gamut	Noun	Range, spectrum, span, scope, breadth, catalogue
Laudable	Adj.	Praise worthy, commendable, admirable, meritorious
Expeditious	Adj.	Speedy, quick, swift, rapid
Exponential	Adj.	Becoming more and more rapid

Part and parcel		An essential or basic element
Dilutions	Noun	Weaking, flagging, un-clarification
Pertain	Verb	Concern, relate to, affect, involve, cover
Impinge	Verb	Affect, influence, encroach, infringe
Autonomy	Noun	Freedom, independence, self determination
Flurry	Noun	Swirl, whirl, eddy, billow, shower, gust
Aftermath	Noun	Results, after effects, upshots, repercussions
Implementation	Noun	Execution, application, performance, enactment
Enjoin	Verb	Urge, encourage, adjure, admonish
Pro-active	Adj.	Energetic, driven, bold, dynamic, motivated
Holistic	Adj.	Comprehensive, integrated, aggregate, entire, Universal
Disperse	Verb	Scatter, dissemination, distribute, spread, diffuse
Parse	Verb	Audit, check, examine, inspect, scan
Deploy	Verb	Position, station, locate, instal
Adequate	Adj.	Plenty, profuse, prolific, abundant