

EVIDENCE OF FRAGILITY

Underwhelming growth estimates come amid worrying data on agriculture

Five months after Chief Economic Adviser Arvind Subramanian **predicted** that economic growth was likely to be closer to 6.5% in the current **fiscal** year, the Central Statistics Office has **forecast** that the gross domestic product (GDP) would expand at **precisely** that pace in the 12 months ending in March. The **headwinds** that had been **flagged** by Mt. Subramanian at that time are providing to be the **crucial** factors dampening **momentum**. For one, **gross** value added, or GVA which excludes taxes that feature in the GDP number is projected to grow by 6.1%, slowing from a provisional 6.6% in 2016-17, as manufacturing and the agriculture, forestry and fishing components of GVA **decelerate**. Second, the key investment **metric** of gross fixed capital formation, though estimated to show faster growth, is expected to **shrink** in terms of **proportion** to GDP : to 29%, from 29.5% in the provisional estimates for 2016-17 and 30.9% in 2015-16. With the Index of Industrial Production (IIP) data released in mid-December also reflecting a sharp slowdown over the seven month period from April to October, there are signs that the **rebound** seen in the second quarter may be far more **vulnerable** to **unravelling** than previously considered. With agriculture struggling for **traction**, **despite** a 'normal' monsoon, the prospect of private final consumption expenditure regaining **vigour** in a hurry seems remote, especially since rural households make a **sizeable** contribution to aggregate demand. The forecast for consumption spending **posit** both a slowdown in growth to 6.3% in 2017-18, from 8.7% a year earlier, and a marginal **contraction** in share of GDP.

That softer growth estimates have come at a time when the government's fiscal deficit has already crossed the budget estimate for the full year, and GST collections are underwhelming, is a particular cause for concern. With Brent crude hovering around \$67 a barrel, oil prices are now well above the \$60-65 range that the Economic Survey had flagged as having the potential to undermine both consumption and public and private investment. Data on kharif food grain production used by the CSO in computing GVA in agriculture, while provisional, project an almost 3% drop in output in 2017-18. This raises the possibility of stronger inflationary pressures on food prices in the coming months. With consumer price **inflation** having accelerated in November to 4.88%, the fastest pace in 15 months, monetary authorities at the Reserve Bank of India will have little to no **leeway** to **null** interest rate reductions to support growth. On their part, policymakers must bank on building on the measures taken to **unclog** the credit pipelines, including the recent steps to recapitalise state owned lenders. Other initiatives must include moves to reenergise the export sector : there may be no better time to make the most of the 'fair winds' of a strong global economic rebound that are blowing.

Words

Predict

Fiscal

Forecast

Kind

Meaning

anticipate, call, conclude, envision, forecast, foresee, think

budgetary, economic, financial, commercial, pecuniary

budget, calculation, estimate, outlook, prognosis, projection, anticipation, augury, cast

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|-------------|--|
| Precisely | absolute, accurately, as well, correctly, literally, specifically, squarely, strictly |
| flag | abate, deteriorate, ebb, fade, languish, sag, taper off, wane |
| crucial | central, compelling, deciding, decisive, essential, imperative, momentous, necessary, pivotal, pressing, touchy, urgent, vital |
| Momentum | energy, power, strength, drive, force, impulse |
| Gross | great, heavy, hulking, husky, overweight, thick, adipose, big, bulky, dense, fleshy |
| Decelerate | brake, slow |
| Metric | cadent, measured, metrical, rhythmic |
| Shrink | decrease, diminish, drop off, dwindle, fall off, lessen, narrow, reduce, shorten, shrivel, wane, weaken, wither |
| Proportion | bulk, capacity, dimension, distribution, fraction, magnitude, percentage, portion, rate, ratio, scale, scope, share, volume |
| Rebound | overcome, pickup, revive, backfire, boomerang |
| Vulnerable | accessible, defenceless, exposed, liable, ready, sensitive, susceptible, unsafe, weak |
| Unravel | decipher, resolve, solve, undo, untangle, extricate |
| Traction | suction, absorption, adherence, adhesion, constriction, contraction |
| Despite | against, although, even though, even with, in contempt of in defiance of, in the face of |
| Vigour | robustness, hardiness, strength, stamina, fitness, toughness, muscle, power |
| Sizeable | colossal, considerable, enormous, gigantic, humongous, monumental, tremendous, vast, whopping, astronomic, epic |
| Posit | hypothesize, postulate |
| Contraction | decrease, deflation, recession, reduction, shrinkage, abbreviation, confinement, curtailment, elision, receding, reducing |
| Inflation | boom, expansion, hike, rise, boost, distension, enhancement, enlargement, escalation, extension, prosperity |
| Leeway | extent, headway, latitude, margin, play, scope, space |
| Mull | contemplate, deliberate, examine, ponder, weight, chaw, consider, delay, linger, wool-gather, revolve |
| Unclog | clean, clear away, clarify, eliminate, erase, free, open, ameliorate, brighten, cleanse, meliorate, purify, refine, rid. |

RE-EXAMINE THE BILL

Concerns about the triple talaq Bill must not be dismissed as an attempt to sabotage it

The winter session of Parliament saw more political positioning than appraisal of a legislation to make instant triple talaq a criminal offence. With the Muslim Women (Protection of Rights on Marriage) Bill pending in the Rajya Sabha, the best option would be

to refer it to a select committee to help bring about a **consensus** on how to address the problem of talaq-e-biddat, as there is no serious opposition to the principle that it is morally **abhorrent** and legally impermissible. The **core** question is whether resorting to an illegal and **arbitrary** form of divorce should necessarily lead to a prison term for the offending husband. A three year prison term, besides a fine, also raises the issue of **proportionality**. The Opposition has raised three concerns: whether a civil wrong, mainly a breach of a marriage contract in an arbitrary manner, **ought** to be treated as a crime; whether it is not a contradiction of sorts for the law to jail a husband for pronouncing instant talaq and also **mandate** that he pay a **subsistence** allowance to the wife; and whether making it a **cognizable** and non-bailable offence would lead to it being misused against Muslim men. Further, some see an internal **contradiction** in the way the law is **sought** to be framed. On the one hand it says instant triple talaq in any form is **void**, thereby declaring that the marriage continues to **subsist**; but it also talks of issues such as the **custody** of children and maintenance, which would arise only after a divorce. These are valid concerns and cannot be dismissed by the BJP as arguments aimed to **sabotage** the Bill.

The Bill is now in the Rajya Sabha, where the BJP and its allies do not have a majority. Some of its key allies, such as the AIADMK, the Telugu Desam Party and the Biju Janata Dal, are against the penal provision. The through in the Lok Sabha, but has taken the position that referring it to a parliamentary committee may help remove some **lacunae**. **Initially** the party appeared to question the prescription of a jail term, but it has raised a new question. It wants to know whether the government would take care of the **sustenance** of the woman concerned if her husband is jailed for uttering triple talaq. The **dilemma** before the Congress is that it cannot be seen as reprising the role it had played over 30 years ago in the Shah Bano episode, when it brought in legislation to **scupper** a Supreme Court verdict in favour of a Muslim woman's claim for maintenance. However, **hasty** legislation passed in the commotion of a divided House may not help the cause. A sound legal frame work to deal with all issues arising from instant talaq ought to be **crafted** after deeper consideration.

| <u>Words</u> | <u>Kind</u> | <u>Meaning</u> |
|-----------------|-------------|--|
| Consensus | | accord, consent, harmony, unanimity, unity, concord |
| Abhorrent | | despicable, loathsome, repulsive, detestable, offensive. |
| Core | | basis, body, bottom line, crux, essence, focus, foundation, importance, origin, root, substance, thrust. |
| Arbitrary | | capricious, discretionary, erratic, frivolous, inconsistent, irrational, irresponsible, random, subjective, unreasonable, wilful |
| Proportionality | | proportion, quota, rate, scale, arrangement, correlation, equation, fraction |
| Ought | | Concern, need, tax, care, commitment, committal, custody, duty, obligation, onus, responsibility, right, task, trust |
| Mandate | | authorization, command, decree, directive, injunction, instruction, sanction |
| Subsistence | | livelihood, ration, sustenance, affluence, aliment, alimentation, capital earning |
| Cognizable | | appreciable, audible, detectable, discernible, distinct, distinguishable, observable, palpable |
| Contradiction | | conflict, difference, disagreement, discrepancy, dispute, inconsistency, confutation, defiance, denial |
| Sought | | Desired, hunted, needed, long for |

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|------------|---|
| Void | abandoned, bare, barren, clear, deprived, drained, free, lacking, scant |
| subsist | get along, get by, scrape by, be, breathe, continue, last, live, endure |
| custody | care, guardianship, protection, aegis, auspices, management, observation, preservation, salvation, safekeeping |
| Sabotage | destruction, disruption, subversion, treachery, treason, vandalism |
| lacunae | break, cavity, depression, gap, hiatus, interim, interval, space |
| Initially | originally, at the beginning first |
| Sustenance | livelihood, nourishment, nutrition, subsistence, aliment |
| Dilemma | difficulty, embarrassment, impasse, mess, plight, predicament, problem, puzzle, quandry |
| Hasty | abrupt, careless, expeditious, hurried, ill-advised, impulsive, quick, rapid, reckless, sudden swift, urgent |
| Crafted | arrange, come up with, concoct, construct, craft, create, design, discover, forge, formulate, hatch, invent, mastermind, prepare, workout |