

JUST FREEDOM

The application of the law is as much a matter of deep knowledge as of wisdom. There are many spheres, for example that of the rights of the accused, where a case by case examination may be required. So when the Supreme Court rules that the personal liberty of an individual has to be subordinated within reasonable bounds to the larger good of the society, it is important to keep in mind the specific context of the pronouncement. The Bombay High Court had quashed detention orders under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 against two men accused of smuggling gold, but the Supreme Court set aside the high court's decision. While asserting the importance of upholding personal liberty, the Supreme Court reportedly emphasized the necessity of preventive detention — with the grounds for detention presented within the stipulated time — in cases when the safety and security of the nation or society are concerned.

The key here is 'reasonable bounds'. Recent experience in the country has shown that 'reason' is purely subjective, the subjectivity belonging wholly and only to the dominant political dispensation. It would be just too easy to seize on a pronouncement of the Supreme Court referring to the bounds of personal liberty for the sake of the nation's security as a general law instead of treating it as a specific ruling; after all, 'anti-national' is a term that has been honed since 2014 by ruling politicians and their followers into a weapon to stifle dissidence and freedom of opinion. Activists, teachers, journalists and writers remain in prison for being 'anti-national'; some have been killed under the Bharatiya Janata Party-led government's watch for speaking of reason and rights. As things stand, the prisons in India are spilling over not just with criminals but with undertrial prisoners as well, a large number of whom have long outstayed the maximum penalty for their alleged crimes. The right to personal liberty, which the Supreme Court has repeatedly upheld, sometimes in landmark judgments, goes against detention without the most convincing of reasons. It would be unfortunate if politicians, their followers and advocates were to use the court's ruling on two accused smugglers to assert their power to imprison anyone they claim to be a danger to the nation.

GOLDEN PERIOD

Recent reports suggest that India has entered a long period of demographic dividend. This is a moment in an economy when the working-age population, aged between 15 and 64 years, becomes larger than the dependent population comprising very young and very old people. Historically, it has been seen that economies have enjoyed sustained high growth rates of national income during this period. This has been true, for example, in Japan, China, South Korea, Singapore, South Africa and Brazil. The relative rates of growth have varied from country to country, but all of them have done better compared to their past. From an individual worker's point of view, this period is physically the most active and, hence, likely to be the most productive. The peak productivity of the worker lies during this period. In India, the demographic dividend period began in 2018 and is likely to last for the next 37 years. Other major economies have completed their period of demographic dividends. Only Bangladesh is similarly placed since 2018.

The crucial question is whether India can replicate the experience of a period of high economic growth. It is obvious that the dividend depends only partially on the size of the working population and the dependency ratio. Productivity depends on the quantity and quality of human capital. Human capital measures the education and health levels of the population, taking into account estimates of life expectancy, years of schooling and the quality of education. Globally, Finland has the highest period of peak human capital for its working population. It is estimated at 27 years. Niger and Chad, on the other hand, have the lowest at 2 years. China's peak productivity is 20 years. In Sri Lanka it is 13 years. India has an embarrassing 6.5 years of peak productivity, ranking a low 158 out of 195 nations. Within South Asia, India's score on educational quality (out of a maximum of 100) is 66, just ahead of the score of 64 of Afghanistan. In scores on functional health, India stands at 43 out of a possible 100, even behind the 45 attained by Afghanistan. India's overall human capital, according to World Bank estimates, stands on a par with Sudan and Namibia in terms of the sum total of the population's health, skills, knowledge, experience and habits. The figures are not something to be really proud of. What India requires urgently in this context is massive public investments in education and health if the nation is to reap the benefits of growth in the new emerging digital world.

SCRIPSI

'What you're supposed to do when you don't like a thing is change it. If you can't change it, change the way you think about it. Don't complain.'

MAYA ANGELOU

The Survey, the budget and the mystery of economic growth

Finding the real

DIPANKAR DASGUPTA

Now that opinions of multiple shades have been expressed over the recently tabled Union budget, it is worth pondering over a simple economic calculation that few cared to shed light on. The matter concerns the impact of economic growth on India's gross domestic product as predicted by the *Economic Survey 2018-19* and the Union budget 2019-20.

The first document states, "To achieve the objective of becoming a USD 5 trillion economy by 2024-25... India needs to sustain a real GDP growth rate of 8%." The second declares, on the other hand, "Our economy... [has] within 5 years... reached US \$2.7 trillion... It is... within our capacity to reach the US \$5 trillion in the next few years."

The *Survey*, while assuring a \$5 trillion economy by the time the present government seeks a fresh mandate, is silent about the size of the economy at the end of its term in 2018-19. The finance minister, by contrast, replaces the time horizon by the expression "next few years", but she clarifies that India was a \$2.7 trillion economy by the end of the first term of the government.

According to the ministry of statistics and programme implementation, India's GDP at current prices stood at Rs 190.1 trillion in 2018-19. At the exchange rate ruling now (\$1 approximately equalling Rs 68.74), the dollar value of India's GDP in 2018-19 turns out to be 2.7 trillion, which matches the figure quoted by the finance minister.

School arithmetic teaches us that a uniform 8 per cent rate of growth is a compound rate of growth. Further, the compound interest rate formula shows that the present value of \$2.7 trillion will grow to \$4 trillion (approximately) in five years. Since the finance minister chooses the starting point to be the nominal GDP at 2018-19 prices, an 8 per cent real rate of growth should lead to the terminal value of four trillion at 2018-19 prices alone. Therefore, unless the \$4 trillion is

revalued at prices prevailing five years away, the *Survey's* claim appears to be invalid.

There is a \$1 trillion, or a \$1,000 billion shortfall, which means in turn, assuming a population size higher than 1.3 billion, a per capita deficit exceeding Rs 52,861. A person with a Rs 50,000 annual income would have been earning more than one lakh rupees at the end of five years, if the forecast turned out to be true.

Turning over to the finance minister again, how few are the "next few years" going to be? At an 8 per cent rate of growth, the above method of calculation shows the figure to lie between eight and nine years. In other words, the goal will be achieved sometime during the next tenure of the 'present' government.

Finally, what should be the rate of growth if the five trillion target were to be achieved in the course of the coming five years. The answer to this question can once again be found by using the compound interest formula. A child's table calculator will show the rate of growth to be 13 per cent (approximately). If the economy could grow *steadily* at the highly unlikely rate of 13 per cent per annum, the objective of US \$5 trillion (at 2018-19 prices) will be achieved in five years. This being an absurd requirement we need not pursue it any further.

A far more important issue must now be addressed. The *Economic Survey* refers to a "real" rate of growth. How should the word "real" be interpreted? National income statistics customarily applies the qualification "real" to economic variables such as national income and GDP. Real GDP measures total output of an economy at fixed prices. Comparing GDP across years at fixed prices helps us interpret growth of the value of output to be an increase in real goods and services produced, rather than a mixture of output and nominal price increases. And it is an in-



crease in the volume of real goods and services that indicates a rise in economic welfare. Consequently, "real" growth ought to imply growth at fixed prices.

The finance minister referred to real growth at 2018-19 prices in the budget speech. However, should 2018-19 be the base year for price fixation? Going back to Volume 2 of the *Economic Survey*, Chapter 01 refers to a fall in the growth rate from 7.2 per cent in 2017-18 to 6.8 per cent. The data match Central Statistics Office estimates and these are calculated for GDP at 2011-12 prices. It was only recently that the government changed the base year for measuring GDP from 2004-2005 prices to 2011-12 prices. How will the growth story change if one were to stick to the government's accepted base year of 2011-12?

MOSPI tells us that at 2011-12 prices, India's real GDP in 2018-19 was Rs 140.7 trillion. At the dollar-rupee exchange rate of 68.74 chosen above, the 2018-19 real GDP was \$2.05 trillion (approximately). Exactly the same calculations as above show that an 8 per cent rate of growth will lead to a GDP of \$3 trillion (approximately) after five years. Moreover, it will require 11 to 12 years to reach the \$5 trillion level.

Historian, wit and bad boy

HARI VASUDEVAN

Stormy petrels seldom have a cache beyond a point. They are rare in today's universities, normally committed to propriety, or political lackeyism. Their presence in these precincts calls upon institutional guardians to put them in their place, that is, beyond the pale. The maverick figure of Norman Stone, former professor of modern history at Oxford, who passed away in late June aged 78, falls into this category. And his fate in death is instructive. In an example of Brexit Britain's self-obsession, a person who was arguably one of the country's most Europe-oriented historians is held up to ignominious judgment on issues of propriety.

In the Calcutta of the 1980s, Stone established a following for his *Fontana History of Europe* (1878-1919). Full of ideas, it put rulers and political regimes in a less than august place, but equally so the working population of farm and factory and the middle class. In spite of wild inaccuracies in detail, Stone's book enhanced a reputation established by earlier work on the Eastern Front during World War I and specialist writing that made sense of the politics of the Habsburg monarchy.

The output was the result of a

cloistered interlude in an adventurous life. Stone's background was post-war Glasgow, and he was educated on a scholarship after the loss of his father to World War II. A mentor gave him his ease with languages which became the key to a Cambridge career that led him to a lecturership in the mid-1970s, and a fascination with Central and Eastern Europe. But he bored easily, and turned part-time media historian. He overcame a natural irreverence for politics to serve Margaret Thatcher in and out of prime ministerialship. With the end of the Cold War, he saw a Great Game unfolding in Europe, and a role for Britain. As Thatcher's influence waned, he looked for a mission and found it in Turkey's role in Europe and the former Union of Soviet Socialist Republics. He moved to Turkey. Later, with the rise of the new Right in Europe, he shifted to Hungary.

All this and due regard for Stone's later (albeit slight) books on Hitler, Hungary, Romania and the Cold War would have merited honest mention and a tidy obituary.

But significantly, Stone in death

was not deemed to merit an honourable exit. He was an example of Britain reaching deep into Europe. But he had combined a raucous life with short regard for academic propriety. So obituaries on Stone have been partisan in a deeply personal manner. Most pointed have been the black marks of the Cambridge Regius professor, Richard Evans, for Stone's unprofessional treatment of his stints at Cambridge and Oxford, his inaccurate history and his dubious relations with women students. Evans wanted it noted that Stone was a bad boy among British historians. Not only was he often drunk, he womanized and bunked lectures, he also spurned decency and propriety. The most glaring example was Stone's vicious attack on E.H. Carr in an obituary. What should have been an even assessment had degenerated into *ad hominem* invective, with limitations of history and failures of character being telescoped. Evans chose to ignore that Carr had almost ruined Stone through a scathing review around 10 years earlier. Rather, he pointed out that this was not the sole instance of

Finally, reaching the goal in five years would call for an annual growth rate of 19-20 per cent.

To be fair, the finance minister never made a claim as absurd as this. Nonetheless, since there is no clear indication in either the *Survey* or the budget speech about the way the government defines a "real" growth rate, it is necessary to view the problem, as we did, from as many angles as possible.

What growth rate should we plan for then? The East Asian miracles occurred over a 48-year period during which the economies grew at average rates of 4.1-5.1 and not 8 per cent. This suggests that we need not hurry too much.

Let us end on with a positive note. Unlike many, this author is not overly critical of the budgetary exercise. The budget appears to be common-people friendly, even if it has been criticized for deliberate or inadvertent numerical jugglery. It would have been surprising if the budget were not criticized, since it is an established custom to find fault with each and every annual budget presented in Parliament. Yet, casual observation suggests that the country has come a long way since Independence. There was a time when the possession of a telephone was a sign of high income or wealth and made it mandatory to submit tax returns. Compared to that age, people belonging to the lowest rungs of economic wealth own not merely phones now, but televisions and refrigerators as well. And one hopes that the Swachh Bharat Mission, with cooperation from the citizens, will not only put a stop to open defecation in rural India, but also clean up the facilities in suburban railway stations. Such improvements, signs of which are already showing, can take a society way forward, compared to the practice of providing five-star treatment for the exclusive few, however learned they may be.

The author is former Professor of Economics, Indian Statistical Institute, Calcutta

AJAY GUDAVARTHY

FIFTH COLUMN

THE AGE OF UNTRUTH

Michel Foucault made a lasting contribution to our understanding of power in modern times. Among other things, he argued that 'truth regimes' are instituted as a mode of wielding power. "Each society has its regime of truth, its 'general politics' of truth... the types of discourse which it accepts and makes function as true; the mechanisms and instances which enable one to distinguish true and false statements, the means by which each is sanctioned; the techniques and procedures accorded value in the acquisition of truth; the status of those who are charged with saying what counts as true."

But is the world moving away from this mode of truth-control? Is power today the result of the practice of untruth? Scientificity and productivism were the sources of fascism in the 20th century but could speed, consumption and impatience with facts be the sources of fascism in the 21st century? The speed of technological changes and the dispersion of digital images have transformed the way we experience reality. Speed dislodges the gestation required to manufacture scientific knowledge and register it as truth to exercise power and control. Consequently, there is a large scale irreverence to evidence itself; details have thus become more or less irrelevant. Untruth has become the workable mode through which we can express dissent and preserve, articulate, and advance the social power we wield. Hence social groups are no longer laying claim to truth to exercise legitimacy.

Slow down

M.K. Gandhi had remarked that we require life to be slow for it to be ethical. He also believed that personal interactions are indispensable to ethical responsibilities. Both these preconditions no longer exist. Speed seems to have dislodged the relation between power and truth, installing untruth — referred to as post-truth — as the new template for power.

Fake news and distortions of history are the obvious forms of untruth. But the more insidious mode in which untruth operates is that of a projected reality — a reality that exists between belief and disbelief. The performativity of a projected reality is acceptable because of its instrumental value to deliver both justified and unjustified demands. Do the dominant castes that were out in the streets demanding reservations suffer from a real anxiety of loss of benefits and declining social status? Or do they find it convenient to project it that way in order to preserve their privileges? Did the other backward classes really believe that they stood to benefit when Narendra Modi took over as prime minister with the claim that an OBC in power helps augment one's social power?

The projection of certain positionalities does not allow for the interrogation of the beliefs behind the projection. Even if one believes that one's claim is untrue, it has become a 'legitimate' way of articulating demands in a democracy. Claims based on truth are open to scrutiny. But operating in a moral no man's land renders such scrutiny ineffective.

Growing inequalities and the yawning gap in the social power among castes and classes have made untruth a medium of exercising power and of registering dissent. Majoritarian cultural nationalism has emerged as an expression of diverse and disparate changes. It permits a projected instrumentality that asks questions but is unwilling to answer any. Modi's silence, his unwillingness to engage with the media and his insistence that the monologue of Mann ki Baat as a legitimate mode of communication mirror the propensity to be neither reflective nor open to interrogation.

The Bharatiya Janata Party and the Rashtriya Swayamsevak Sangh have chosen to ride this momentum. They feel it is more or less permanent and, therefore, dream of staying in power till 2047. But speed and projected untruth are by their very nature unconstrained and barely obedient.

Over the moon

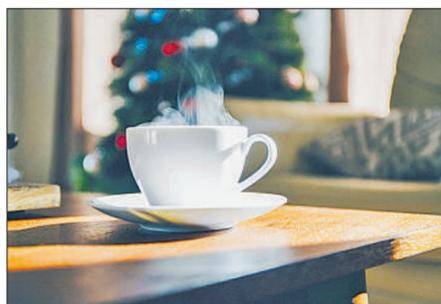
■ Sir — With the successful launch of Chandrayaan-2 India is all set to explore the uncharted south pole of the lunar surface.

Additionally, the role played by Chandrakanta Kumar, a farmer's son from Gurup in West Bengal, in the mission has made us equally proud. Kumar overcame numerous hurdles to become a scientist at the Indian Space Research Organisation. As deputy project director, he was responsible for the radio frequency system of Chandrayaan-2.

What is also praiseworthy is that quick remedial actions were taken to rectify the technical snag in the rocket, Baahubali, during its scheduled launch on July 15.

Hopefully this challenging but prestigious mission would improve our understanding of the lunar topography.

Souvik Chakraborty, Calcutta



Liquid pleasure

■ Sir — Bengalis love their tea. But Calcutta does not have a decent tea room. Most establishments, including an iconic address on Park Street, are eager to shoo away customers who would like to watch the world go by while sipping on their favourite brew. The Coffee House in College Street has lost its former glory too. Is it too much to hope that an innovative entrepreneur would come along and revive the pleasure of tea and *adda* within plush surroundings?

Rishikesh Dutta, Calcutta

■ Sir — Isro scientists have achieved spectacular suc-

cess with the launch of Chandrayaan-2. India

has become the fourth nation after the United States of America, Russia and China to land a mission on the moon. One hopes that the lander, Vikram, and the moon rover, Pragyan, would function as planned.

N.R. Ramachandran, Chennai

■ Sir — With Chandrayaan-2, a lunar mission that has deployed cutting edge technology, Indian scientists would be aiming to expand India's footprint in space and shed light on an unexplored section of the moon. The mission would enhance knowledge about space, stimulate the search for advanced technology and also promote global scientific alliances. Chandrayaan-1 had created history by orbiting the moon. With Chandrayaan-2, India has become the fourth country in the world to land a mission on the moon.

Isro is aiming to put a lander and a rover on the

moon. The scientists must be congratulated for the successful launch of the mission.

Bidyut Kumar Chatterjee, Faridabad

Parting shot

■ Sir — It was not the fault of Amaresh Manna, the owner of a barbershop, that he printed a card that said, "All Kinds of barbaric activities are done at a reasonable price..." ("Joke for some, jolt for Manna", July 20). English can have its deficiencies as a language. But the card has helped Manna's salon get considerable publicity. He must not be ashamed of the howler.

Sukhamay Biswas, Calcutta

Letters should be sent to: The Telegraph, 6 Prafulla Sarkar Street, Calcutta 700001, ttedit@abpmail.com