

Jul-Sep 2022

# NCAER NEWS



Welcome to the NCAER newsletter, in which we showcase all the activities and outputs of our researchers and faculty over the last three months.

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## NCAER Research Outputs

### Monthly Review of the Economy July, August, and September 2022

The Review of the Economy released every month summarises the economic and policy developments in India; monitors global developments of relevance to India; and showcases the pulse of the economy through an analysis of high-frequency indicators and the heat map.

### India Human Development Survey Forum, July, August, and September 2022

The IHDS Forum is a monthly update of publications, op-eds and data news based on the India Human Development Survey (IHDS), which was jointly conducted by NCAER and the University of Maryland in two waves, in 2004-05 and 2011-12. The third wave of the project has also been launched in May 2022. Currently, data collection is going on in various States.

### Working Papers

#### Privatization of Public Sector Banks in India: Why, How and How Far, August 2022

Banks play a critical role in economic growth. This working paper by **Poonam Gupta and Arvind Panagariya** points out that the banking sector in India, dominated by public sector banks (PSBs), has underserved the economy and their stakeholders. Meanwhile, private banks have further improved their performance and have gained significant market share. In this paper, the authors make a case for privatisation of PSBs. They suggest that due to its better performance and adhering to the development view of the PSBs, the State Bank of India (SBI) may remain under government ownership for now, but all other banks should be privatized. The paper proposes a couple of different pathways to successfully transition the sector toward private ownership.

## **Assessing the Use of Land as Collateral for Accessing Credit from Institutional Sources in Rural India, August 2022**

Data on access to credit in rural India is mostly available from periodic large-scale surveys and some primary research in different parts of India. This working paper by **Purna Prabhakar, Nishika Pal, Deepak Sanan, and Somnath Sen** argues that the growth of institutional sources of credit was quite dramatic during the first four decades after Independence but there appears to have been a regression since then. There is some evidence to show that land as collateral is a frequent requirement for institutional lenders and that a clear title favours extension of loans. Textual records [copies of Record of Rights (RoRs)] gathered for the construction of the NCAER Land Records and Services Index (N-LRSI) 2020 offered an opportunity to understand the situation in different States with respect to the issues mentioned above. This paper assesses the data gathered for six Indian States/Union Territories (UTs): Chhattisgarh, Gujarat, Himachal Pradesh, Madhya Pradesh, Uttar Pradesh, and Uttarakhand.

## **Research Study**

### **Input Output Transactions Table 2017-18 Himachal Pradesh, July 2022**

The Input-Output Transactions Table (IOTT) is the matrix representation of a nation's or a region's economy, and is used to analyse the inter-industry relations therein, depicting how the output of one industry is used as input in other industries, thereby making each industry dependent on other industries both as a user and as a supplier. It is, therefore, the depiction of all monetary transactions that take place among the production sectors (industries in the case of industry approach and commodities in the case of commodity approach) and also with the final users. The construction of an IOTT starts with the preparation of two of its key pre-requisite matrices, that is, the Supply Table and the Use Table. This study prepares these matrices first and then converts them into IOTT for the State of Himachal Pradesh, which makes this study the first of its kind for any State in India.

## **Annual Journal**

### **India Policy Forum 2021, July, 2022**

The 18<sup>th</sup> India Policy Forum 2021 volume comprises papers and brief details of the proceedings of the IPF Conference held virtually during 12-15 July, 2021. Apart from presentation of four papers, the IPF 2021 Conference also included two lectures, the 3<sup>rd</sup> T.N. Srinivasan Memorial Lecture, titled, "Responding to COVID-19 amidst Market and Government Failures", delivered by Professor Shanta Devarajan, Georgetown University and NCAER, and the Annual IPF Lecture, titled, "Federalism during the Pandemic", delivered by Mr N.K. Singh, Chairman, Fifteenth Finance Commission and former member of the Rajya Sabha. In addition, the 2021 IPF featured two Roundtables focusing on "Future of India's Economic Reforms: 30 Years after 'Bata teri raza kya hai (What's your wish?)', Looking Back to Look Ahead" and "India Emerging from the Long Shadow of COVID-19".

## **Project Updates**

### **A Study on Evaluation of Price Stabilization Fund (PSF) and Price Support Scheme (PSS) for NITI Aayog**

A new NCAER study, to be sponsored by the Development Monitoring and Evaluation Office (DMEO), NITI Aayog, will evaluate the Price Stabilization Fund (PSF) and Price Support Scheme (PSS) through a primary survey to assess how these schemes are meeting their objectives. The study will evaluate the schemes pertaining to onion and five pulses, that is, *moong, masur, gram, toor, and urad*.

## **Planning for Economic Recovery of South Asia from COVID-19, "Strengthening General Equilibrium Modelling Capacity in India"**

In a new project, NCAER will partner with the Asian Development Bank (ADB) to build cutting-edge CGE modelling capacity in India in collaboration with the world's leading CGE centers. Building on past CGE work and existing modelling capacity, NCAER will build dynamic, quarterly, and regional model variants to serve the policymaking community with economic policy simulations that enable better policy, programme and investment choices in macro, industry, services, agriculture, trade, environment, land and labour. Efforts to bring in some dimension of rural-urban segmentation will also be explored so as to enable analysis of selected issues relating to urban development.

## **Opinion and Commentary**

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NCAER researchers published the following opinion and journal articles during the months of July to September 2022:

### **Opinion Articles**

#### **In defence of inflation targeting**

Poonam Gupta

*The Economic Times*, September 19, 2022

#### **How to sustain 7% growth for India**

Barry Eichengreen and Poonam Gupta

*Livemint*, August 25, 2022

#### **How India can sustain rapid economic growth**

Barry Eichengreen and Poonam Gupta

*Project Syndicate*, August 12, 2022

#### **IMF's latest news may not be bad news for India if it plays its cards right**

Poonam Gupta

*The Economic Times*, July 28, 2022

#### **Why the exchange rate ought to be treated as an automatic stabiliser, and should be embraced: Familiarity breeds action**

Poonam Gupta

*The Economic Times*, July 14, 2022

#### **Polluting a river is a sin against it!**

Sanjib Pohit and Anupma Mehta

*The Pioneer*, September 27, 2022

#### **Beyond the statistical soundbites: Why data matter**

Sonalde Desai

*The Hindu*, September 21, 2022

### **Why Q1 GDP figures tell us to be cautiously optimistic about the future**

Mythili Bhusnurmath

*The Economic Times*, September 1, 2022

### **Formal work, informal worker**

Bornali Bhandari, Gautam Kumar Das, Samarth Gupta, Ajaya K. Sahu, and K.S. Urs

*The Hindu Business Line*, August 29, 2022

### **Who is vocational education training for? Data shows over 84% Indians didn't get any**

Palash Baruah and D.L. Wankhar

*The Print (Online)*, August 10, 2022

### **Fix from ground up: A \$5-trillion economy target by 2025 for India is not unachievable**

Nijara Deka and Poonam Munjal

*Down to Earth*, 10 August 2022

### **Skilling Atmanirbharta**

Poonam Munjal and Asrar Alam

*Financial Express*, August 8, 2022

### **How India is choking indoors**

Debasis Barik

*The Hindu BusinessLine*, July 15, 2022

### **Aspirational districts programme: Urgent need for district perspective plans**

Bornali Bhandari and Poonam Munjal

*Qrius (Online)*, July 15, 2022

### **India in 2023: The challenge and opportunity of being the most populous country**

Sonalde Desai

*The Indian Express*, July 12, 2022

### **Gaps in estimating gig, platform workers**

Bornali Bhandari

*The Hindu BusinessLine*, July 12, 2022

### **Financial inclusion: Accounting for bank accounts**

Mridul Saggar

*The Economic Times*, July 9, 2022

### **Replacing Kolkata trams with battery operated electric buses is a bad financial move**

Sanjib Pohit

*The Daily Guardian*, July 8, 2022

## Journal Articles and Working Papers

### **A Central Bank Digital Currency in India?**

Barry Eichengreen, Poonam Gupta, and Tim Marple  
*Indian Public Policy Review*, July-September 2022

### **Effectiveness of National Dairy Plan-I in Preserving Sustainable Development Goals (SDGs) on the Rural Economy of India – An Insight into the Process**

Saurabh Bandyopadhyay and Laxmi Joshi  
*Journal of Economic Policy & Research*, Volume 16 (2): 21-38, April-September 2021

### **The Age of India-China Rivalry**

Sonalde Desai  
*Outlook Business*, September 2022

### **Measuring Women's Empowerment in the Global South**

Desai, Sonalde, Feinian Chen, Shilpa Reddy and Amy McLaughlin. 2022.  
*Annual Review of Sociology*, 48: 507-527

### **Learning Disruptions during COVID: Findings from a Survey in the National Capital Region**

Manjistha Banerji and Reem Ashraf  
*Children First: Journal on Children's Lives*, Issue 1: 28- 38, August 2022

## Update on NCAER Events

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### **Money vs Kudos: The Impact of Incentivizing Local Politicians in Tamil Nadu, September 27, 2022**

NCAER organised an in-person seminar on **Money vs Kudos: The Impact of Incentivizing Local Politicians in Tamil Nadu** with Dr Vijayendra Rao, Lead Economist, Development Economics, World Bank. Despite growing awareness of various limitations of electoral democracy, there is a relative lack of evidence on effective policy interventions to improve the performance of elected officials and motivate them to act more equitably. This paper reports results from an experiment where elected presidents of village panchayats in Tamil Nadu were randomly assigned to one of two incentive schemes (or a control group); a financial incentive which rewards better performing presidents with a higher public budget, and a non-financial incentive which awards them a certificate demonstrating their achievement with an information campaign to disseminate it.

### **NCAER Seminar-Global Financial System: Fractures, Fissures, and Fragmentation September 26, 2022**

In another in-person seminar on **Global Financial System: Fractures, Fissures, and Fragmentation**, Mr Udaibir Saran Das, a senior international financial policies expert, raised a number of issues and concerns pertaining to the Global Financial System (GFS). He suggested that the policy response to the next financial crisis would need to re-focus on fiscal and monetary policy for stabilisation and reconstruction, and that The two crucial aspects of the GFS are the 'connectedness conundrum' and the 'endogeneity of finance.'

### **The FINDEX Report, 2022, and Challenges and Opportunities for Leveraging Digital Technology for Financial Inclusion in India, September 12, 2022**

The **World Bank's FINDEX Report, 2021**, released in June 2022, was the highlight of another seminar, which also featured a Panel Discussion on the theme, "Challenges and Opportunities for Leveraging digital Technology for Financial Inclusion in India". The seminar was attended by a number of eminent officials from the banking community and the World Bank, mediapersons, and other stakeholders.

### **Special Investor Awareness and Protection Seminar, September 7, 2022**

A full-day seminar, organised by NCAER and the Investor Education and Protection Fund Authority (IEPFA), under the aegis of the Ministry of Corporate Affairs, Government of India, was held at NCAER on the occasion of the Foundation day of IEPFA. The aim of the seminar was to promote financial literacy, investor awareness, and protection. The seminar was widely attended by the investor community, NCAER faculty, IEPFA staff, and students from the economics and business streams from various colleges.

### **Women's Work, Social Norms and the Marriage Market, August 30, 2022**

In a seminar on **Women's Work, Social Norms and the Marriage Market**, Dr Kanika Mahajan, Ashoka University, suggested that while it is well-acknowledged that the gendered division of labour within marriage adversely affects women's allocation of time to market work, there is less evidence to show how extant social norms can influence women's pre-marriage choices. The author had conducted an experiment on an online marriage market platform allowing for measuring the preferences of individuals in partner selection in India. She found that employed women receive 14.5 per cent less interest from male suitors relative to unemployed women. The findings also suggest that expectations regarding returns in the marriage market may influence women's pre-marital labour market participation and the nature of market work.

### **Public Lecture by Barry Eichengreen, Distinguished Visiting Professor, NCAER, August 5, 2022**

This lecture by Professor Barry Eichengreen was organised by NCAER in collaboration with the Delhi School of Economics (DSE). The opening remarks were delivered by Dr Poonam Gupta, Director General, NCAER, and Dr Aditya Bhattacharjea, Professor of Economics, DSE. The lecture was moderated by Dr Pami Dua, Professor and Director, DSE. The focus of the lecture was the purported slow decline of the dominance of the US dollar, which is ostensibly giving way not to another major currency like the Chinese Renminbi, the Euro or the British pound, but to a swarm of midget currencies, including the Canadian dollar, Australian dollar, and Swedish Kroner, among others.

### **The India Policy Forum 2022, July 12-13, 2022**

NCAER hosted its annual flagship event, the India Policy Forum (IPF) during July 12-13, 2022. The event was held in person at the India International Centre and NCAER in New Delhi. The IPF, a unique combination of intense scholarship and policymaker engagement, aims to promote rigorous empirical economic policy research on India through commissioned papers, which are then published in the form of an annual volume. In addition, the IPF also features public lectures by eminent experts and roundtable discussions on critical issues.

- ✚ In conversation with IDinsight Director Dr Divya Nair, in a webinar on ‘Reflecting women’s voice via data and stories’, **Dr Sonalde Desai**, Professor, NCAER, and Director, National Data Innovation Centre, dives into what data tells us about the state of women in India. [Weblink.](#)
- ✚ In another article titled, “The Age of India-China Rivalry”, published in *Outlook Business*, September 1, 2022, **Dr Sonalde Desai** said, “Setting up a universal social security system now will allow it to become mature and fully funded in 50 years when it will be most needed”. [Weblink.](#)
- ✚ An article titled, “In Himachal Pradesh, Bishan Singh Living in Dark since Independence Away from All Basic Amenities”, published in *BW Businessworld*, cites the views of **Dr Bornali Bhandari**, Senior Fellow, NCAER, on lack of awareness in rural areas about government schemes. [Weblink.](#)
- ✚ **Dr Mridul Sagggar**, IEPF Chair Professor, NCAER, gave an interview to *Indian Sun TV* on “Macroeconomics from Central Bank Perspective”, September 22, 2022.
- ✚ In another interview to Mr Priyansh Verma and Mr T. Bijoy Idicheriah of *Informist Media* on July 1, 2022, **Dr Mridul Sagggar** suggested that with the benefit of hindsight, it can be argued that the RBI’s Monetary Policy Committee could have started the process of narrowing the policy rate corridor to its pre-pandemic width from December.

### Faculty Activities

Following are details of the activities and engagements of NCAER staff and faculty during July-September 2022:

#### Dr Poonam Gupta, Director General

- ✚ Presentation on “The Growth Slowdown during 2019-20: An Enigma or an Aberration”, Indian Institute of Management, Ahmedabad, September 29, 2022
- ✚ Participated in the first meeting of the Expert Committee (to scale up venture capital/private equity investments), Ministry of Finance, September 21, 2022. Participated in Global Development Network (GDN) Introductory discussion, September 15, 2022.
- ✚ Participated in meetings of the Economic Advisory Council to the Prime Minister of India, held on July 19, August 4, August 11, and August 29, 2022.
- ✚ Delivered Opening Remarks in the lecture on “The Stealth Erosion of Dollar Dominance” by Prof Barry Eichengreen at the Delhi School of Economics, August 5, 2022. Presentation, Paper on “Privatization of Banks in India: Why, How and How Far?”, at the *India Policy Forum*, New Delhi, July 12, 2022.
- ✚ Presentation on “Public Debt and Fiscal Consolidation after the Pandemic” at the Kautilya Economic Conclave, organised by Institute of Economic Growth, New Delhi, July 11, 2022.

#### Dr Mridul Kumar Sagggar, IEPF Chair Professor

- ✚ Participated in the Indianomics program of CNBC TV18, in a Panel Discussion on “RBI’s Monetary Policy Announcement”, anchored by Latha Venkatesh, September 30, 2022.
- ✚ Moderation and Discussion with Udaibir Saran Das in a Seminar on “Global Financial System: Fractures, Fissures and Fragmentation”, at NCAER, September 26, 2022.

- ✚ Provided macro-forecast responses on behalf of NCAER to the RBI's Survey of Professional Forecasters (SPF), September 24, 2022.
- ✚ Moderated Panel Discussion at the FINDEX Seminar on "Challenges and Opportunities for Leveraging Digital Technology for Financial Inclusion in India", September 12, 2022. Mr T. Rabi Sankar delivered a keynote address at the seminar and Leora Klapper, World Bank, made a presentation on the latest FINDEX report. The other panellists included National Payments Corporation of India (NPCI) MD and CEO, Mr Dilip Asbe, and MD and CEO of Bandhan Bank, Shri Chandra Shekhar Ghosh.
- ✚ Made a presentation on "Several Dimensions of Investor Protection: A Peek into Policies, Practices and the Road Ahead" and participated in the Expert Panel Discussion on "Investor Protection in a Digital World", along with Mr J.K. Dash, Executive Director, RBI; Mr G.P. Garg, Executive Director, SEBI; Mr K.P.S. Malhotra, DCP, IFSO, Head of the Cyber Crime Unit of Delhi Police, Mr Tushar Anand, GM, IEPFA, and Ms Mythili Bhusnurmath, ET Now (Moderator) at the IEPFA Foundation Day Programme at NCAER, September 7, 2022.
- ✚ Provided expert advice on 'Monetary Policy Operating Framework' as part of the IMF Technical Assistance Mission to Bangladesh Central Bank, August 23-29, 2022.
- ✚ Gave a live lecture on Gyan Darshan TV on "Digital Payment System, Financial Inclusion and Protection against Cyber Frauds", July 14, 2022.
- ✚ Made a presentation on "The Race for the Fastest Growing Major Economy of the World– The Macro and the Micro Growth Drivers" at Merchant's Chamber of Commerce and Industry (MCCI) Annual Economic Forum, Kolkata, July 6, 2022. Mr Suresh Prabhu, former Union Commerce and Industry Minister, was a discussant at the presentation.
- ✚ Delivered a "Digital Awareness Lecture" and made an outreach on financial literacy for women's group in rural West Bengal, July 5, 2022.

### **Dr Sonalde Desai, Professor**

- ✚ Speaker, "Systematic review on Impact of Family Planning on Women's Health and Agency", WHO Meeting, September 20 and 21, 2022.
- ✚ Presenter in a Seminar series titled, "Late Bloomers and Middle-Class Safety Net: Learning Catch Up among Adolescents in India", organised by The Centre for Family and Population Research (CFPR), National University of Singapore, September 9, 2022.
- ✚ Panellist, ISEC Golden Jubilee Celebration in a panel titled, "Gender and Development", September 2, 2022.
- ✚ Speaker, India Think Tank Forum 2022 panel titled, "In Fine Fettle: Reimagining the Global Health Architecture", organised by Observer Research Foundation, August 4, 2022.
- ✚ Panellist, International Association for Feminist Economics, Panel on "Rethinking Care work", July 29, 2022.
- ✚ Speaker, Inaugural Seminar of the Centre of Demography of Gender, organised by International Institute for Population Sciences (IIPS), July 21, 2022.
- ✚ Discussant, *India Policy Forum* 2022 paper titled, "Lessons from Disease and Economic Surveillance during COVID in India", at the IPF Conference organised by NCAER, July 12, 2022.

### **Dr Sanjib Pohit, Professor**

- ✚ Participant, Discussion on "Macro-economic Modelling Project", with The Celestial Earth, September 8, 2022.



- ✚ Referee for The Icelandic Research Fund for the proposal on “Framework for Logistics Costs in Iceland”, September, 2022.
- ✚ Discussant/Participant: “Macroeconomic Implications of India’s Decarbonization Pathways, in Particular Net Zero Commitment”, organised by Shakti Foundation, July 6, 2022.

#### **Dr Saurabh Bandyopadhyay, Senior Fellow**

- ✚ Presentation before the Fare Fixation Committee for the Hyderabad Metro Rail on behalf of NCAER at ITC-Kakatiya, Hyderabad, September 22, 2022.

#### **Dr Bornali Bhandari, Senior Fellow**

- ✚ Participant, “Enabling the Lowest Common Denominator: Product, Agency and Economic Empowerment of Rural Women Entrepreneurs”, Sankalp Global Summit, September 28, 2022.
- ✚ Panellist, Plenary Session 2, titled, “Indian Auto Industry for India’s Economic Growth”, along with Mr Nitin Gadkari, the Union Minister of Road Transport, Highways, Government of India, at the Society of Indian Automobile Manufacturers (SIAM), 62<sup>nd</sup> Annual Convention, September 15, 2022. Presented key results from NCAER research on “Contribution to Overall Employment by the Auto industry: Jobs and Skills”.
- ✚ Participant, Book Discussion: *Macroeconomic Policy in India since the Global Financial Crisis*, by Sebastian Morris, The International Centre, Goa, August 5, 2022.
- ✚ Presenter, with Samarth Gupta, Ahmedabad University, and Ajaya K. Sahu and K.S. Urs, NCAER, at Singapore Economic Review Conference, Impact of Product and Process Adoption Strategies on “Business Expectations: Evidence from India during the Pandemic”, August 1, 2022.
- ✚ Presenter, Draft White Paper on “Making India a Global Power House on Farm Machinery Industry”, NCAER Workshop, July 29, 2022.
- ✚ Panellist for the session on “Perspectives on Climate Change and Food Systems in India” at the launch of IFPRI Global Food Policy Report 2022 and Policy Forum on Climate Change and Food Systems in South Asia, July 21, 2022.

#### **Dr Pallavi Choudhuri, Senior Fellow**

- ✚ Paper Presentation at the 5<sup>th</sup> IZA Labor Statistics Workshop: *The Measurement of Incomes, Living Costs and Standards of Living* on “The Impact of Covid-19 on Household Consumption Expenditure in India”, July 20, 2022.

#### **Dr Santanu Pramanik, Senior Fellow**

- ✚ Speaker in a panel discussion titled, “Vaccine, equity, and hesitancy, Asia-Pacific experiences” in a Global Dialogue Day, 2022 Human Development and Capability Association (HDCA) Conference, September 19, 2022.
- ✚ Delivered a lecture on “Basics of Survey Sampling and Sampling Design” in a Research Methodology Workshop organised by Madras Institute of Development Studies (MIDS) and Malcolm and Elizabeth Adiseshiah (MEA) Trust, July 22, 2022.
- ✚ Delivered a lecture on “Techniques for Analysing Quantitative Primary Data—Descriptive and Inferential”, in a training programme on Monitoring Evaluation and Learning (MEL) for senior in-service government officers organised by the Development Monitoring and Evaluation Office (DMEO) of NITI Aayog and the National Institute of Labour Economics Research and Development (NILERD), July 20, 2022.

- ✚ Participated in the third meeting of the Committee to bridge the data gaps for Sustainable Development Goals (SDGs) indicators through Small Area Estimation techniques, organised by MoSPI, July 12, 2022.

### Dr Laxmi Joshi, Fellow

- ✚ Presentation, Draft White Paper on “Making India a Global Power House on Farm Machinery Industry”, NCAER Workshop, July 29, 2022.

### Mr M. Abhinav Saikrishna, Research Analyst

- ✚ Presentation on “Remembering the Dead: Estimates of Excess Mortality during the COVID-19 Pandemic from Panel Study in Delhi-NCR”. The presentation is part of a session by Health, Morbidity, and Mortality Working Group, *European Association of Population Studies*, September 30, 2022.

## Institutional News

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### IHDS in the Field

Data collection for the third round of the NCAER flagship longitudinal survey, India Human Development Survey (IHDS-3), is in full swing. The IHDS team has completed data collection from households, communities (villages/urban blocks), health facilities and schools in the States of Haryana, Punjab and Chandigarh. Data collection is ongoing in Uttar Pradesh, Bihar, Rajasthan, Himachal Pradesh, and Uttarakhand. The team expects to start data collection in West Bengal after the festive season of Durga Puja is over in the State.

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