

Indian Economy

Preparing for the New Challenges

For the Special FC 2021

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Neils Bohr

- Prediction is very difficult, especially if its about the future

Challenges

- **Supply chains**
- **Consumption**
- **Inequality**
- **Trade disruption**
- **Unemployment**
- **Role of the private sector**
- **The civil society**

Adam Smith

- **Services Vs Manufacturing**
- **The sector is comprised of buffoons, musicians and opera singers whose output cannot be traded and therefore does not add to national output like in manufacturing**
- **Invisible hand versus direct government intervention//**

Alfred Marshall

- The Market self corrects
- Keynes – No it does not
- Austerity????

Douglas North

- **Institutions matter**
- **Robert Solow - No**
- **Worker contributions, role of technological progress**
- **Joan Robinson – Why are wages so low?**

Where is this
money coming
from

- The package
- 20 lakh crores

Printing money

- When can the Indian government do this?
- The role of the RBI

The state going alone

- Pricing
- The role of insurance
- Should the state pay?

A red speech bubble graphic with a white outline, containing white text. The bubble has a tail pointing downwards and to the left.

Your role –
What businesses
are you in?

- Theodore Levitt – Marketing Myopia
- What do you think we should do?

A red speech bubble graphic with a white outline, containing the text "Working together". The bubble has a tail pointing downwards and to the left.

Working
together

- We are not in the same boat. We are in the same storm.
Some are on super yachts, some have just one oar
- The international response to COVID

Way ahead

- Surveillance
- Educational institutions
- State governments and their attractiveness for FDI and technology transfer
- Is the South better?
- Can India replicate its success in IT and ITES, BPO and KPO domains
- What should be India's competitive differentiation and long term strategy?

Churchill

- Now this is not the end. It is not even the beginning of the end. But it is, perhaps, the end of the beginning.