

Economic Policies for Development and Poverty Removal : Revisiting the Public Finance Architecture

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Abstract

The paper propose five prolonged public finance architecture with a difference to realign economic policies for development and poverty removal. It suggests to amend article 266 of the Constitution of India to institutionalise the inter generational equity concerns. It also suggests that algorithm to calculate Revenue Nexus Index of a public expenditure be researched and formulated. It also suggest that poverty line and income tax slabs be more scientifically determined. Skill as a part and parcel of literacy should also be present. International organisations should also make green technologies easily available. The paper proposes a five prolonged public finance architecture that includes comprehensively to institutionalise the intergenerational equity. Public expenditure prioritisation that factors its revenue nexus depoliticise poor and opulence definitions, remanant of Macaulayism against skill development as part of the literacy be done away with & to universalise access of green technologies and institutionalise life cycle pricing.

I. Introduction

“ ... IN 1600 CHINA accounted for more than one-fourth of global GDP, and India accounted for just under a fourth. ...” (Sharma, 2012). This is not a myth or folklore passed on to the author by word of mouth and being reproduced here but some data used by a self proclaimed New York based investor Sharma (2012) to kick start his thesis at the beginning of the book "Breakout Nations". For an aspirational India poised to enter 2020, this might construe some economic legacy that may inspire and may even facilitate in figuring out what is do able. Be as it may, the author will be using it as a sort of a peg to hang the arguments necessary for outlining dos and don'ts of our national strategy for articulating "economic policies for development and poverty removal". Let it be the first statement to provide a remote yet historical backdrop for the author's thesis.

To progress towards the second statement let us dwell and pontificate on the demographics of India. The Indian population reached the billion-

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- v. *Universalize Access Of Green Technologies And Institutionalize Life Cycle Pricing*: World trade organization needs to be specially enabled to ensure free flow of crucial green technologies. UNCTAD and UNEP should play a proactive role on the supply side of technologies as per the hierarchy envisioned in the "WET Matrix" above.

Life cycle pricing should be adopted by industry as new normal. Industry, its representative bodies, civil society and the state must put together framework for retrieval and recycling of manufactured goods at the end of their useful life.

If the above comprise heralding new public finance architecture, so be it. The quantum of transformation proposed to be unleashed conceivably cannot intimidate the genius of aspirational India approaching 2020.

Notes

- 1 en.wikipedia.org/wiki/Demographics_of_India
- 2 www.tradingeconomics.com/india/age-dependency-ratio-percent-of-working-age-population-wb-data.html
- 3 www.theglobaleconomy.com/World/Age_dependency_ratio/as
- 4 worldofpopulation.blogspot.in/2009/11/world-population.html
- 5 After Russia (1,70,75,000 sq. km), Canada (99,76,132 sq. km), China (99,76,132 sq. km), the U.S.A. (90,72,340 sq. km), Brazil (85,11,965 sq. km) & Australia (76,82,300 sq. km).
- 6 www.thecolorsofindia.com/interesting-facts/geography/geographical-area-of-india.html
- 7 en.wikipedia.org/wiki/Economy_of_India "India". International Monetary Fund
- 8 SIL International. "Ethnologue report for Language Isolate". Retrieved 2007-10-11
- 9 India, a Country Study United States Library of Congress, Note on Ethnic groups
- 10 McKinley used "neoliberalism" primarily as a descriptive term to denote the dominant paradigm dictating macroeconomic and adjustment conditionalities enforced by the Bretton Woods Institutions since the 1980s. www.networkideas.org/feathm/feb2004/Terry_McKinley_Paper.pdf
- 11 economictimes.indiatimes.com/opinion/indias-tax-gdp-ratio-still-less-than-half-oecd/articleshow/8043778.cms
- 12 news.webindia123.com/news/articles/India/20150304/2548164.html
- 13 Ideas similar to the argument were for the first time alluded to in a presentation made in a workshop organized by the world Bank institute and Administrative Training Institute, Nainital, Uttar Pradesh (now Uttarakhand), India as a preparatory due diligence to World bank sanction of US\$ 250 millions (half as loan and equal amount as IDA credit) as first ever stand alone program loan to a sub-national government.
- 14 articles.economictimes.indiatimes.com/2011-12-29/news/30568962_1_nps-trust-fund-managers-national-pension-system
- 15 india.gov.in/spotlight/national-pension-system-retirement-plan-all
- 16 old.brettonwoodsproject.org/art-559988
- 17 "Public Administration - Revisiting the state of the discipline, the Definitions and heralding the Paradigm Shift for the third millennium" IIPA July-September 2007
- 18 en.wikipedia.org/wiki/Gross_National_Happiness
- 19 The author has used the matrix for the first time in his presentation sometimes in July, 2009 under the heading "Implementation Matrix for Poverty Alleviation and Climate Change Threat Mitigation & Adaptation (3X3 IMPACCT M &A)" in a workshop organized by NGO "One World- India" on Consultative Dialogue on India's Climate Response Roadmap for Development, Sustainable Development & Climate Change-Looking through India's Poverty and EQUITY LENS
- 20 India has already successfully experimented with the idea for extending mobile phones to rural areas.

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Capital Structure Decisions



Under
Multiple Objectives
A STUDY OF INDIAN CORPORATES

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