

ESSAYS ON MACROECONOMIC POLICY AND GROWTH IN INDIA

This collection provides a rare ‘insider’ account by one of the key members of the top economic policy team that was instrumental in India’s reform journey during the 1990s. The book brings a unique ringside perspective to the macroeconomic management and structural reforms of that crucial decade in India’s economic development.

The issues addressed include:

- Assessing the results of the early 1990s reforms
- India’s policy response to the East Asian financial crisis
- The slowdown of economic growth after 1996-7
- The serious fiscal and economic costs of the Fifth Pay Commission
- The debates over trade liberalization and exchange rate policy
- The twists and turns of tax reform since 1975
- The continuing battles to restore fiscal responsibility

Despite the current upswing in growth, these essays draw attention to a number of factors that may constrain the future performance of the economy. These include poor infrastructure, high fiscal deficits, sluggish agriculture, dysfunctional labour policies, growing regional disparities, slow reforms, and deteriorating governance. According to Acharya, without swifter progress on all these fronts, India’s high growth potential may remain unfulfilled.

This book, articulating comprehensive macroeconomic policy reforms for India, will interest students of macroeconomics, journalists, civil servants, and India watchers.

Shankar Acharya was Chief Economic Advisor to the Government of India, member of the Prime Minister’s Economic Advisory Council, and Member, Twelfth Finance Commission. Currently he is Honorary Professor and Board Member of the Indian Council for Research on International Economic Relation (ICRIER).