

ICRIERnews



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Letter from the Director

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ICRIER WELCOMES

Dear Reader,

The last few months were intellectually very vibrant for ICRIER. Apart from being actively involved in several research projects that were brought out as publications, ICRIER's activities also included public lectures, seminars, networking, and book release.

In an effort to better understand global developments and experiences of other economies, which have bearing on our own policies and performance, ICRIER hosted a number of distinguished visitors to deliver public lectures, including the World Bank's Senior Vice President and Chief Economist, Dr. François Bourguignon, Prof. Benjamin M. Friedman, Professor of Political Economy at Harvard University, Mr. Bijit Bora, Counsellor, Economic Research and Statistics Division, World Trade Organization and Professor Robert Z. Lawrence, Albert L. Williams, Professor of Trade and Investment, JFK School of Government, Harvard University.

We also had the privilege of listening to Dr. Y. V. Reddy's stimulating talk on 'Update on Indian Economy', on the occasion of the release of the book 'Accelerating Growth and Poverty Reduction: A Policy Framework for India'.

ICRIER continued to reach out to a wider circle of opinion makers, researchers, experts and policy makers through various seminars on issues relevant to economic policy making. In the backdrop of the long standing problem of poor infrastructure, ICRIER, in partnership with the World Bank, organised a Seminar on the changing financial environment and the future of infrastructure finance in the developing world. ICRIER also organised a Seminar on the impact of tariff reforms on Indian industry drawing from ICRIER's comprehensive study to quantitatively assess and understand the economic implications of further tariff reductions on India's Industrial sector.

In April this year, ICRIER completed its over five years stint as Coordinator, SANEI. The baton has now passed on to PIDE (Pakistan Institute of Development Economics). ICRIER's contribution and endeavour in building up the network and taking it forward will continue to be a source of pride for us.

With best wishes,

Arvind Virmani

Arvind Virmani



a forum for sharing information



Seminars

Impact of Tariff Reforms on Indian Industry

June 25, 2004

Based on a comprehensive study undertaken by ICRIER titled 'Impact of Tariff Reforms on Indian Industry: Assessment based on a Multi-Sector Econometric Model' to quantify the impact of tariff policy changes on India's industrial sector, the focus of the Seminar was to debate and discuss how the domestic industry in India would be impacted by the substantial industrial tariff cuts expected to be made by the Indian Government in the near future. The results shared at the discussion, suggested that even a substantial decline in tariff rates from an average of about 30% to about 10% (along with associated currency depreciation and increased market access) would have only a marginal impact on net exports, value of production and employment in the organised

manufacturing sector. According to the ICRIER findings shared at the Seminar, there would be no significant adverse impact on the domestic industrial sector from the tariff cuts. Rather, a small increase in aggregate industrial production and employment might occur emanating from the efficiency enhancing effects of tariff reform.

Prof. K. L. Krishna, chaired the session. Dr. Arvind Virmani, Director & Chief Executive, ICRIER, Prof. B. N. Goldar, (IFCI/IDBI) Chair Professor, ICRIER and Dr. C. Veeramani, Fellow, ICRIER made presentations on the ICRIER study. The presentations were followed by a Q&A session with active participation of the audience, consisting of scholars, experts, researchers, ministry representatives and media.

An Analysis of Retaliation Under the WTO

March 25, 2004

Prof. Robert Z. Lawrence, Albert L. Williams, Professor of Trade and Investment at the John F. Kennedy School of Government, Harvard University, presented a study on the economics of retaliatory measures permitted for dispute resolution in the WTO in cases where the complaining party is unable to comply with the recommendations of the Disputes Settlement Body at a Seminar organised by ICRIER.

In his view it would be preferable to have a provision for compensation through liberalisation in areas of interest to the complaining party. Compensation as a substitute for retaliation is already provided for in the Dispute Settlement Understanding. The new proposal made by Prof. Lawrence suggested that such compensation would be available from a list of compensatory measures already agreed by each

member in advance.

The discussions emphasised that the existing system did not envisage that retaliation would be permanent. The aim was not to square the accounts. Although the implementation of retaliatory measures resulted in contraction of trade and diminution of world welfare, its ultimate objective was to put pressure on the WTO member concerned to withdraw the offending measures. Members generally used those measures for retaliation that had the maximum potential to put political pressure for compliance. The alternative proposed by Prof. Lawrence would deprive the complaining party of the possibility of applying pressure by retaliating where it hurt most.

The Seminar was chaired by Dr. Arvind Virmani, Director & Chief Executive, ICRIER.

Global Development Finance

June 10, 2004

ICRIER and the World Bank jointly organised a seminar on 'Global Development Finance: Harnessing Cyclical Gains for Development' to understand the challenges and implications regarding the global financial conditions affecting developing countries and the future of infrastructure financing in the developing world. Drawing from World Bank's report by Dr Mansoor Dailami, Lead Economist, World Bank, the objective of the Seminar was to focus on global financial conditions and the future of Infrastructure finance in developing countries. Dr. Dailami in his presentation emphasised that the key challenge for policymakers in India is to channel capital flows into areas, such as infrastructure, where it can lay the foundations for sustained growth and poverty reduction. The Seminar comprised panel discussions on India's position in context with the theme.

The Seminar was chaired by Dr. Arvind Virmani, Director & Chief Executive, ICRIER. The opening remarks at the Seminar were made by Mr. Michael F. Carter, India Country Director, the World Bank. The panel discussants included, Dr. Surjit Bhalla, Managing Director, Oxus Investments, Dr. Sudipto Mundle,



From L to R: Dr. Sudipto Mundle, Deputy Country Director, ADB; Dr. Surjit Bhalla, Managing Director, Oxus Investments; Mr. Michael F. Carter, India Country Director, The World Bank; Dr. Arvind Virmani, Director & Chief Executive, ICRIER; Dr. Mansoor Dailami, Lead Economist, The World Bank, at the seminar.

Deputy Country Director, ADB, Dr. Subhashish Gangopadhyay, Head, India Development Foundation, Mr. T. C. A. Srinivas Raghavan, National Council for Applied Economic Research (NCAER), and Dr. Saumitra Chaudhuri, Economic Advisor, International Centre for development oriented Research in Agriculture (ICRA). The Seminar was attended by academicians, researchers, experts from financial institutes, senior officials from the Ministry of Finance and media.

Public Lectures

Update on Indian Economy

April 7, 2004

Dr. Y. V. Reddy, Governor, Reserve Bank of India delivered an illuminating talk on 'Update on Indian Economy' on the occasion of the book release of "Accelerating Growth and Poverty Reduction: A Policy Framework for India's Development" authored by Dr. Arvind Virmani. Providing the low-down on

development in three areas, viz. Money and Credit, Financial Markets and External Sector, Dr. Reddy stated that development of the government securities market is an integral part of the reform process and customer services, simplification of procedures and practices are measures that cannot be overlooked.

The Poverty Growth-Inequality Triangle

February 4, 2004

The World Bank's Senior Vice President and Chief Economist, Dr. François Bourguignon, delivered a talk on 'Poverty-Growth-Inequality Triangle' at a lecture organised jointly by ICRIER and the World Bank. The focus of his talk was on the age-old controversy whether the development strategy should lay emphasis on growth or poverty reduction or on addressing inequality. In his lecture he brought out the power of distributional changes for poverty reduction. He emphasised that for poverty reduction, it is not just growth in income that matters but also how the growth leads to changes in income distribution. In some cases the changes in distribution may even offset the positive effects of growth on poverty, he stated.

Dr. Bourguignon's point was that the real controversy is whether growth and distribution are independent of each other, or are they both inter-linked. Two important points to be considered according to him were, first, that growth and income distribution should be considered simultaneously and to recognise that income distribution matters as much as growth for poverty reduction. The second, that country specificity



From L to R: Dr. Arvind Virmani, Director & Chief Executive, ICRIER; Prof. Deepak Nayyar, Vice Chancellor, Delhi University; Dr. François Bourguignon, Senior Vice President and Chief Economist, The World Bank at the lecture.

matters a great deal.

The lecture was attended by a number of eminent persons from academia, policy makers, media and various research institutes. Dr. Deepak Nayyar, Vice Chancellor, Delhi University chaired the lecture. Introductory remarks were made by Dr. Arvind Virmani, Director & Chief Executive, ICRIER.

WTO Negotiations in NAMA

April 5, 2005

ICRIER organised a talk by Mr. Bijit Bora, Counsellor, Economic Research and Statistics Division, World Trade Organisation on the WTO negotiations on Non-agricultural Market Access in the run up to the 5th ministerial session held at Cancun in September 2003 as well as during the session itself. The focus of discussion was on whether the core modality for reduction of tariff should be a linear or a non-linear formula and whether the sectoral approach should be mandatory or non-mandatory.

On being asked whether the solution for the sectoral approach could be to permit the developing countries to continue with tariffs at the uniform level of 5% while others eliminated the tariffs, he stated that this was indeed one of the most widely considered options. He was of the view that once an agreement was reached on agriculture, it would be easier to resolve the differences in NAMA negotiations.

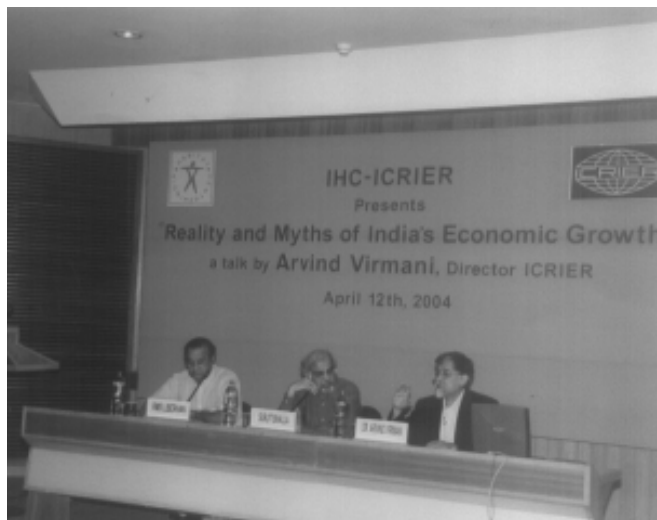
The talk was chaired by Prof. Anwarul Hoda, Professor, ICRIER.

Reality and Myths of India's Economic Growth

April 12, 2004

Dr. Arvind Virmani, Director & Chief Executive, ICRIER delivered a lecture on 'Reality and Myths of India's Economic Growth' at the India Habitat Centre. His lecture examined two enduring myths that connect the past and the present. One is that the socialist policies of the sixties and seventies were a golden era for the poor. The other, that there was a growth take-off during the nineties. The socialist period from 1950-51 to 1979-80 was marked by slow growth and increasing poverty. The period of market experimentation from 1980-81 to date is marked by a decline in poverty rate and increase in economic growth.

Dr. Surjit Bhalla, Managing Director, Oxus Investments (P) Ltd. chaired the lecture. The lecture was followed by an interactive discussion and a lively exchange of ideas from the audience which included renowned academicians, researchers, thinkers and policy makers.



From L to R: Mr. R. M. S. Liberhan, Director, India Habitat Centre; Dr. Surjit S. Bhalla, Managing Director, Oxus Investments (P) Ltd.; Dr. Arvind Virmani, Director & Chief Executive, ICRIER at the talk.

Income Inequality, Distributive Conflict and Economic Growth

April 6, 2004

Dr. Chetan Ghate, Lecturer, Planning Unit, Indian Statistical Institute, delivered a talk on 'Income Inequality, Distributive Conflict and Economic Growth' at a Seminar held at ICRIER. In the background of the lecture was a thorough review of the political economy literature on the income distribution and economic growth, based on which a workable framework was drawn to analyse the simultaneous evolution of income distribution, economic growth and distributive conflict. His analysis showed that quantitative analysis and economic models prove that excess equality is as harmful for economic growth as is excess inequality. Econometric evidence proves that growth-equity trade-off can move in either direction if the equilibrium is

not maintained.

Dr. Ghate also focused on the impact of explicit redistributive policies on both growth and income distribution, making it possible for the policy makers to characterise conditions under which there is greater consensus over policies in the light of wealth distribution. By quantifying the growth-equity trade-off, he tried to draw a relationship between social mobility, wealth distribution and economic growth.

Dr. Arvind Virmani, Director & Chief Executive, ICRIER, chaired the seminar. The lecture was attended by academicians, policy analysts, thinkers and researchers.

Why the Federal Reserve should not adopt Inflation Targeting?

January 23, 2004

Prof. Benjamin M. Friedman, William Maier Professor of Political Economy at Harvard University delivered a lecture on 'Why the Federal Reserve should not adopt Inflation Targeting?' at ICRIER. Prof. Friedman discussed the general principles and the operating procedures of inflation targeting and drawing on the experience of other countries, argued that inflation targeting does not help in improving the macroeconomic performance of a country. In particular he suggested that inflation targeting is not a suitable framework for conducting US monetary policy. Prof. Friedman held the view that in case of low inflation any kind of quantitative target is not useful. However, he was of the opinion that inflation targeting could be an interesting topic for research in case of India.

Dr. Arvind Virmani, Director & Chief Executive, ICRIER chaired the lecture. The lecture was attended by experts from research institutes, scholars, and senior officials from the Ministry of Finance.

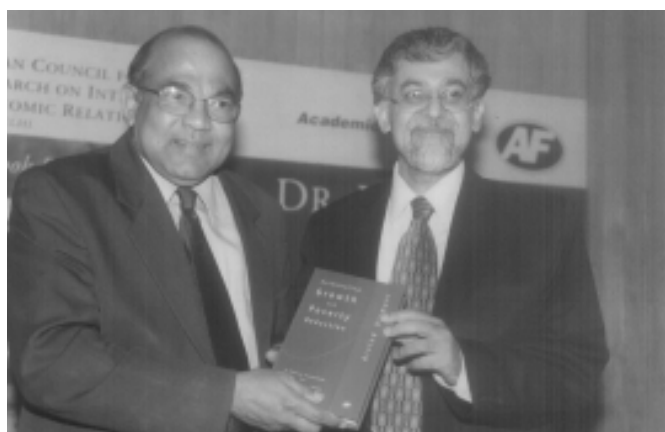


Prof. Benjamin M. Friedman, William Maier Prof. of Political Economy, Harvard University delivering the lecture (extreme right).

Book Release

Accelerating Growth and Poverty Reduction: A Policy Framework for India's Development

April 7, 2004



Dr. Y.V. Reddy, Governor, Reserve Bank of India (left) and Dr. Arvind Virmani, Director & Chief Executive, ICRIER (right) at the book release.

'Accelerating Growth and Poverty Reduction: A Policy Framework for India's Development', a book authored by Dr. Arvind Virmani, Director & Chief Executive, ICRIER, was released by Dr. Y. V. Reddy, Governor, Reserve Bank of India, at a function jointly organised

with Academic Foundation. The book is an attempt to bridge the gap between policy and implementation of the same. Policies unless based in sound empirical and theoretical analysis inevitably fail. It covers a wide range of reform issues in India – such as the economic philosophy of reforms, socio-eco perspective of reforms etc. It brings our attention to the collapsing government mechanism, most significantly visible in two areas – drinking water sewerage system and primary education. It emphasises that policy reforms that are undertaken to eliminate these maladies must be both sustainable and implementable.

Dr. Virmani's book is a refreshing change from the mundane since it combines comprehensive reforms with an integrated approach to bring to light the need to take notice of the deteriorating government mechanism and market failure, with regard to policy making.

Recent ICRIER Publications

Working Papers

No.	SUBJECT	AUTHOR	DATE
118	Are the Poor too Poor to Demand Health Insurance?	Rajeev Ahuja Johannes Jütting	January 2004
119	Trade in Land Transport Services: Railways	Arpita Mukherjee Ruchika Sachdeva	January 2004
120	Impact of Tariff Reduction on Exports: A Quantitative Assessment of Indian Exports to the US	Aradhna Aggarwal	January 2004
121	Economic Reforms: Policy and Institutions Some Lessons from Indian Reforms	Arvind Virmani	January 2004
122	India's Economic Growth: From Socialist Rate of Growth to Bharatiya Rate of Growth	Arvind Virmani	February 2004
123	Health Insurance for the Poor in India	Rajeev Ahuja	March 2004
124	Stock Return Volatility Patterns in India	Amita Batra	March 2004
125	The Poverty-Growth-Inequality Triangle	François Bourguignon	March 2004
126	Labour Quality in Indian Manufacturing: A State Level Analysis	S. C. Aggarwal	April 2004
127	Investment Climate and Total Factor Productivity in Manufacturing: Analysis of Indian States	C. Veeramani Bishwanath Goldar	April 2004
128	Trade Facilitation in the WTO: Implications for India	Nisha Taneja	April 2004
129	Transparency in Government Procurement	Anwarul Hoda Suchi Bansal	April 2004
130	Trade Liberalization and Price-cost Margin in Indian Industries	Bishwanath Goldar S. C. Aggarwal	April 2004
131	Sources of India's Economic Growth: Trends in Total Factor Productivity	Arvind Virmani	May 2004
132	Market Access Negotiations on Non-agricultural Products: India and the Choice of Modalities	Anwarul Hoda Monika Verma	May 2004
133	WTO-Related Matters In Trade and Environment: Relationship Between WTO Rules and MEAs	Aparna Sawhney	May 2004
134	Northern States Versus Southern States: A Comparative Analysis	Mathew Joseph	May 2004
135	Impact of Tariff Reforms on Indian Industry: Assessment Based on a Multi-Sector Econometric Model	Arvind Virmani, Bishwanath Goldar, C Veeramani and Vipul Bhatt	June 2004
136	Outsourcing and Job Loss: A Protectionist Fallacy	Rajeev Ahuja	June 2004
137	Productivity Trends in Indian Manufacturing in the Pre- and Post-Reform Periods	Bishwanath Goldar	June 2004

Other Publications

SUBJECT	AUTHOR	DATE
Political Economy of Reforms	Mariano Tommasi	August 2003
Chinese Mercantilism: World Consumer Gains, Chinese Worker Loses	Surjit Bhalla	November, 2003
The Poverty-Growth-Inequality Triangle	François Bourguignon	February 2004
An Update on Indian Economy	Y. V. Reddy	April 2004

International Networking

DR. ARVIND VIRMANI

- Made a presentation at the Session "Growth Strategies: Lessons From Country Cases?" at the PREM Week Conference, the World Bank, Washington, D.C., April 27–28, 2004.
- Delivered a lecture on "India's Economic Growth" at World Bank, Washington, D.C., April 27, 2004.
- Delivered a lecture on "India's Economic Growth" at the Asia and Pacific Department, International Monetary Fund, Washington, D. C., April 28, 2004.
- Presented a 'Course' on "Economic Reforms: Policy and Institutions Some Lessons from Indian Reforms" at the Learning Week Conference, the World Bank, Washington, D.C., May 3, 2004.
- Presented a paper on "Economic Reforms: Policy and Institutions Some Lessons from Indian Reforms" at the Conference on Scaling Up Poverty Reduction, the World Bank, Shanghai, May 25–27, 2004.
- Discussant at the Session "Telecom Reform" at the Fifth Annual Conference on Indian Economic Policy Reform by Stanford Centre for International Development, Stanford, June 3–5, 2004.

DR. SHANKAR ACHARYA

- Participated as a discussant in the First Annual India Policy Forum session "Should a US-India FTA be part of India's Trade Strategy?" organised by National Council of Applied Economic Research, in

collaboration with The Brookings Institution, U.S.A., March 26, 2004.

- Participated as a speaker in the conference on "Pathways through Financial Crises" at University College, Oxford University, U.K., April 29–30, 2004.

PROF. ANWARUL HODA

- Presented a paper on "India and the WTO: Issues, Challenges and Prospects of Co-operation with the ASEAN" at 1st ASEAN-India Economic Roundtable, organised by Institute of South East Asian Studies (ISEAS), Singapore, February 9 to March 1, 2004.
- Presented papers on "Implementation Issues in the WTO" and "Singapore Issues and Impact on The Arab Countries" at Expert Group meeting on Follow-up on the Results of the WTO 5th Ministerial Conference-Cancun, organised by UNESCWA, Beirut, May 11–12, 2004
- Presented a paper on "Developing Countries in the Doha Round" at International Conference 'The Way Forward to Successful Doha Development Agenda Negotiations', organised by Fair Trade Centre, Tokyo, May 24–25, 2004.

DR. ARPITA MUKHERJEE

- Attended a workshop with IPS Sri Lanka at Colombo for the project "Indo Sri Lanka: FTA II and Beyond", April 25 to May 1, 2004.

MS. NISHA TANEJA

- Attended a workshop with IPS Sri Lanka at Colombo for the project “Indo Sri Lanka: FTA II and Beyond”, April 25 to May 1, 2004.
- Participated in a Seminar on “Trade Facilitation in South Asia” jointly organised by the World Bank and European Union held in Dhaka, June 8–10, 2004.

DR. RAJEEV AHUJA

- Visited International Monetary Fund on GDN/IMF scholarship, Washington DC, March 15–16, 2004.
- Presented the paper “Outsourcing and Job Loss: A Protectionist Fallacy” at Plymouth Business School, UK, March 12, 2004 and Sam Houston State University, Texas, USA, April 21, 2004.



The GDN Annual Conference

The Global Development Network (GDN) held its Fifth Annual Conference on Understanding Reform during January 28–30, 2004 in New Delhi. This was the first GDN Conference being held in India. ICRIER was the co organiser for the Conference.

ICRIER organised a session to review Indian reforms from a multidisciplinary perspective. Dr. Arvind Virmani, Director & Chief Executive, ICRIER presented a paper on ‘Economic Reforms: Policy and Institutions’ (ICRIER Working Paper No. 122). The session was chaired by Prof. Wahiduddin Mahmud, Professor of Economics, Dhaka University. The discussants included Prof. Ira Gang, Rutgers University, New Jersey, USA and Prof. Alvaro Forteza, Universidad de la Republica Montivideo, Uruguay.

SANEI (South Asia Network of Economic research Institutes), co-organised a session on ‘Economic Reforms in South and East Asia: A Comparative Perspective’ with EADN (East Asia Development Network). The session was co-chaired by Dr. Arvind Virmani, Director and Chief Executive, ICRIER, and Prof. Chia Siow Yue, EADN, Singapore. Presentations were made by Prof. T. N. Srinivasan, Chairman, SANEI and Prof. Wing Thye Woo, UC Davis. Prof. Min Tang, Chief Economist, ADB, China, and Prof. Wahiduddin Mahmud, Professor, University of Dhaka, Bangladesh, served as discussants.

Dr. Shankar Acharya, Professor, ICRIER, was a panelist at the session on ‘Reform in India’. Dr. Acharya also participated as Selection Committee Member for Research Projects at the Conference.

Ms Rashmi Banga, Fellow, ICRIER, received the First Prize in the Medals Category of the Research Competition at the session on ‘Market Reforms and the New Role of the State’ at the Conference for her paper ‘Impact of Government Policies and Investment Agreements on FDI Inflows to Developing Countries: Empirical Evidence’.

Mr. C. S. C. Sekhar, Fellow ICRIER, presented a paper on ‘Role of Interest Groups, Institutions and Civil Society in Development: Few Lessons from India’s Experience’ at the Conference. This paper was one of the five papers shortlisted in the medals category for outstanding research on development.

The GDN Conference was preceded by several workshops related to different GDN activities during January 24–26, 2004. ICRIER is engaged in a study on ‘Linkages Between Development Researchers and Policy Makers: A Case Study on India’ as part of the GDN Global Research Project on ‘Bridging Research and Policy’. Dr. Tarun Das, Consultant, ICRIER, participated at this workshop which reviewed the overall objectives of the project, its progress till date, and the steps ahead.

SANEI participated in the Conference at the Network Heads’ Meeting, Network Heads’ and Coordinators’ Meeting, the GDN Net Steering Committee Meeting and the Knowledge Fair.



SANEI Steering Committee Meeting

The last Steering Committee of SANEI with ICRIER as its coordinator was held on January 29, 2004 at ICRIER in New Delhi. The meeting chaired by Prof. T. N. Srinivasan, Chairman, SANEI, was attended by Dr. Arvind Virmani, Secretary Coordinator, and Members of the Committee viz. Dr. A. R. Kemal, Director, PIDE (Pakistan), Dr. Asaduzzaman, Research Director, BIDS (Bangladesh) and Dr. D. N. Dhungel, Executive Director, IIDS (Nepal).

SANEI Secretariat Shift

ICRIER has completed its tenure of five years as SANEI Coordinator and PIDE (Pakistan Institute of Development Economics) has assumed the role of the new Coordinator of SANEI, with the SANEI Secretariat shifting to PIDE in Pakistan as of April 1, 2004. However, the ongoing projects under SANEI India (SANEI V, SANEI VI and the Education Research Initiative) will be managed and completed by ICRIER. ICRIER will also organise the Sixth Annual SANEI Conference scheduled for August 26–27, 2004 in New Delhi.

Publications

- Economic Development in South Asia edited by Dr Mohsin Khan (Director, Central Asia and Middle East Department, IMF), Tata McGraw Hill, New Delhi, 2004, (forthcoming). This is a collection of 7 collaborative research studies funded under the second round of SANEI.
- The GRP (Global Research Project) country study papers on the five South Asian countries viz. Bangladesh, India, Nepal, Pakistan and Sri Lanka have been compiled in a volume edited by Dr Kirit Parikh, Member, Planning Commission (former Director and Vice Chancellor, IGIDR).

SANEI Research

SANEI approved 13 research projects for funding under its sixth round. Out of these, 6 projects are from economics and 7 projects are multidisciplinary in nature.

ICRIER in News

This section provides a brief synopsis of key media coverage during January to April, 2004.

Paper Reviews / Studies

- ***Rational Expectation (Indira Shining!), BS (April 19, 2004):*** The column carried a review by Sunil Jain on Dr. Arvind Virmani's presentation of his paper 'India's Economic Growth: from Socialist Rate of Growth' (WP No. 112) at Delhi's India Habitat Centre. Mr. Jain writes, "What's important about the ICRIER analysis is that it flies in the face of what most of us would feel is obvious"
- ***Redefining the Hindu Rate of Growth, FE (April***

12, 2004): Reviewing Dr. Virmani's working paper No. 112, the article reads, "Dr. Virmani's latest work (India's economic growth: from socialist rate of growth to Bharatiya rate of growth', working paper No. 112) has a lot to say on trends over the last 50 years. For starters, he observes that Indian economic growth has been stable although two phases can be discerned. The first, what he terms as Indian-socialist rate of growth, starts from 1951 and lasts till 1979-80. The second, termed as the Bharatiya rate of growth, starts for 1980-81 and is still going on".

- ***Hung House: Small players With Big Role May Log Out Reforms, FE (April 30, 2004):*** On ICRIER working paper No. 112, the article says, "Recently, Arvind Virmani, ICRIER, highlighted the impact of ideological transformation on growth in a working

paper “India’s Economic Growth: From Socialist rate of Growth to Bharatiya rate of Growth”. He pointed out that, “with a change in orientation of the government from socialism to market experimentation there was a change in the rhetoric of the government and of intellectuals and consequently in the atmosphere/environment in which private agents and investors operate”.

- **Barriers Hampering Trade, Shows ICRIER Study, FE (April 8, 2004):** Drawing from an ICRIER study on FDIs in telecom and transport, the article says, “India can gain significantly from flow of investments, technical know-how and management expertise from Singapore in infrastructure services such as telecommunications and transport, provided certain domestic and external barriers to trade and are removed”, says a study carried out by ICRIER. According to ICRIER director Arvind Virmani, “Since both the countries are committed to the multilateral trading system, the framework of CECA should be consistent with the WTO framework”
- **Size isn’t all that matters, BS (March 26, 2004):** Talking about working paper 121, the article says, “In this thoughtful paper (Economic Reforms: Policy and Institutions-Lessons from Indian Reforms, ICRIER Working Paper No. 121), Arvind Virmani has gone a step further. You can’t take care of the pennies, he says, if you don’t get your policies right”. Having spent several years in the finance ministry as an important policy advisor, Virmani is well placed to analyse the problems that arise at the junction of economic reform and institutions needed to make the reforms work.
- **Use the instrument of the rise’ in Fortune India Magazine (April 30, 2004):** “A study conducted by the ICRIER has shown the Anti-Dumping use is typically high when domestic industries are passing through a rough patch or when the tariff barriers are being brought down. The pattern also suggests that affected countries often retaliate

by initiating AD cases on the same countries. Thus, anti-dumping seems to have been often used as a protectionist and retaliatory measure.”

GDN Conference, Jan 28–30, 2004

- **Workshop held, HT Reforms to go on, but should be person-related, Mid Day**
- **Experts to focus on pro-poor policies, ET**
- **Reform must benefit underprivileged: Amartya, ET**
- **Elections should not affect development, says Reddy, BS**
- **Poll Process will not Hinder Reforms: Reddy, FE**
- **Amartya Sen moots three tests for reforms, HBL**
- **Development Conference, The Hindu**
- **Experts to focus on pro-poor policies, ET**

Opinions / Comments

- **The good, the bad and the ugly – A Piece Of My Mind \ Shankar Acharya, BS (January 30, 2004)**
- **Why did India reform? - A Piece Of My Mind \ Shankar Acharya, BS (February 24, 2004)**
- **Pundits Surprised, But Pleasantly, FE (January 9, 2004):** “Dr. Arvind Virmani, director, ICRIER, said the reduction in custom duty is an appropriate step as it would boost investments. “Investments have been very low in the last few years. However this move is likely to give a punch to the investment climate of the country.” Dr. Virmani and Dr. Suman Bery, NCAER, said the move to have individual tax rates for various sectors might not be good for the economy. “The reduction of individual tax rates will take us all back to the exemption raj, which is not a very welcome move,” Dr Virmani said.
- **Riding the Feel Good, Financial Express (February 4, 2004)**
- **Mixed Emotions, Business Standard (February 4, 2004)**
- **Has the interim budget achieved anything? Face-off column, ET (February 4, 2004)**
- **Lack of a clear direction, Business Standard (March 2004)**



Proud Moments for ICRIER

Dr Manmohan Singh, (ICRIER Founder Member) is now the Prime Minister of India. Another Founder Member, Mr. Montek Singh Ahluwalia has been elevated to the position of Deputy Chairman, Planning Commission, Government of India. A Board Member, Dr. Kirit Parikh and a Faculty Member, Prof. Anwarul Hoda has become Member of Planning Commission, Government of India.

ICRIER Welcomes

- Dr. Sanghamitra Sahu as Fellow from January 2004.
- Mr. R. K. Ghosh as Library & Information Officer from April 2004.
- Ms. Babit Batra as Consultant External Affairs from May 2004.
- Ms. Sanchita Chatterjee as Consultant from June 2004.



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