

National Economic Summit
‘A Pragmatic Approach to Indian Economic Thinking’
16 th February, 2017

Maharaja Agrasen Institute of Management Studies, Delhi, and Maharaja Agrasen University, Himachal Pradesh, organized a National Economic Summit in collaboration with Kautilya International Foundation on 16th February, 2017. The theme of the summit was ‘A Pragmatic Approach to Indian Economic Thinking’.

Inaugural Session

The inaugural session commenced with the lighting of the lamp and recitation of Saraswati Vandana. Thereafter, floral bouquets were presented to all the dignitaries on the stage by the Director and faculty members of MAIMS.

Prof M.K.Bhat, Director, MAIMS welcomed the dignitaries on the stage, the guests, faculty members and students. Dr Bhat, who is himself a scholar of economics, emphasized that India is an emerging economic superpower. The USA and Europe have undergone an economic turmoil since the recession of 2008, marking a collapse of the capitalist axis powers. The last communist pillar Russia also has lost its sheen. In this scenario, India has to provide an alternate economic model to emerge as a leading player in the global economy. But at the same time, she should not forget her values and ethical roots. Giving the example of Krishna and Arjuna he said that Krishna represents purity of thought and mind while Arjuna represents execution of pure thoughts. Similarly the new Indian economic model has to represent execution of pure thoughts grounded in Indian value system.

An Eminent educationist, Dr. Nand Kishore Garg, Founder and Advisor Maharaja Agrasen Technical Education Society, also highlighted the need and importance of an economy which is focused upon the efficient utilization and equal distribution of the available resources. He also gave examples of the recent achievements in the field of space exploration by our national space agency – Indian Space Research Organization, which excels in minimizing the costs of its projects and making them effective and efficient at the same time.

The Chief Guest at the summit, Shri Govindarcharya, a renowned socialist, activist and thinker, called upon Indians to have belief in their ability and not assess themselves from western perspective. India has her own cultural ethos and in the race for economic growth it should not ignore its value system. He reiterated that a country’s financial planning must be done in a way that it creates a balance between – Economy, Ecology and Ethics. He suggested that any ideology which is bereft of a positive system leads to the fall of human civilization. For example Colonialism has resulted in exploitation and consumerism has degraded humans as commodities. In the rat race of money we have lost the human touch.

Lastly, Sh Prem Sagar Goel, Chairman MATES, presented a vote of thanks. The inaugural session ended with the presentation of mementoes to the dignitaries.

Technical Session I

Immediately after the tea- break, the 1st technical session started. The prominent speakers in this session were:

- Dr R.K.Pillai, Deputy Director, University of Mumbai.
- Sh. Deepak Karanjeekar, Economist, Arthkranti Foundation.
- Prof B.B. Chakraborty, Ex Director , IIM, Ranchi.

After a floral welcome by the faculty members, the first speaker, Dr R.K.Pillai, the writer of best seller book Corporate Chanakya, emphasized that we have to delve deep into our past to make a bright future for our present and coming generations. Economic prosperity of our future generation will be relevant only if it is rooted in our value system .He also said that Indian Economic model is unique in the sense that it does not believe only in wealth creation and wealth management but also wealth distribution. Single earner in the family may selflessly cater to the needs of his /her immediate and extended family.

Deliberating upon Chanakya's contribution to Indian economic system, he suggested that Chanakya's Arthashastra conceives of economic activities leading not only to worldly success but also spiritual success. Wealth needs to be created ethically. It might take time to create ethical wealth, but it lasts long. Chanakya postulates that success of all economic models depends upon leadership. A leader has to be well conversant with economics if he wants to lead the nation successfully.

Subsequently, Sh. Deepak Karanjeekar , Economist, Arthkranti Foundation, reiterated the need of judicious distribution of national resources to all the citizens. He suggested that black money drains out a large part of Government's revenue while corruption sucks in the outflowing resources and obstructs their reach to people. A corrupt Government, corrupt bureaucracy and corrupt trade practices create underground economy and breed organized crime.

Another ill that pervades the Indian system is that elite class, forming only 8 to 10% of Indian population, is holding the reins of the government. In the process organized class, forming 25 to 30 percent of Indian population gets neglected. The elite class hoards a large chunk of currency in lockers and other concealed locations. Concealed currency just lies as an unproductive commodity while currency in circulation becomes a medium of economic growth .Demonetization, according to him, was a step to ensure enhanced circulation of currency in the system.

The next speaker, Dr B,B.Chakraborty, Ex Director, IIM, Ranchi, spoke on the topic 'Current Indian Economic Scenario – Challenges and its Remedy.' India, according to him, can become a rising regional star for manufactured goods if she adopts various reforms for increasing cost competitiveness. However, if India wants to be a global economic power, leadership in technology will be vital. China is already investing huge funds in science and technology and research and development.

Technical Session –II

The second technical session commenced with a scholarly presentation by Dr P. Kanagasabapathi, a renowned author and social worker. He said that India, which, some 20 years back, was considered one of the poorest countries, is now being recognized by various rating agencies as a bright spot in the world economy. No other country could make such a U turn.

The strength of Indian economic model could be discerned from its ability to escape worldwide economic recession in 2007-08. According to Dr Kanagasabapati, the chief characteristics of the unique Indian economic model can be delineated as follows:

- 1) Indian businesses are primarily family based. Families become a big support in times of losses. Management of business conflicts also becomes easy due to mediation of family.
- 2) Higher rate of saving helps the corporates tide over the recessionary periods.
- 3) Indian economy is largely based on self employment. India has 51 % of self employment against 7 percent of self employment in America.
- 4) India is highly entrepreneurial. There are 85 million entrepreneurs in India who keep India ticking.
- 5) There is large community orientation and focus on social capital. When banks refuse to give loans due to certain technical reasons, friends and relatives come to the rescue of the entrepreneur, helping him/ her to save interest.
- 6) Women play a dominant, though, silent role in Indian economy. Most of the home based industry is run by women, contributing substantially to India's economic growth .

Dr Kanagasabapathi said that India has always played a great role in world economy and basic Indian economic model has survived and strengthened despite all turbulences and distortions.

The next speaker, Sh. Ravi Shankar, Research Associate, Maharaja Agrasen University, Himachal Pradesh, said that man, society and natural resources form the trinity of economic system. Each element has to protect and preserve the other elements to prevent chaos in the economic system at different levels. He suggested that production and distribution are two strong pillars of any economic system. Agriculture and industry ensure production while trade and banking facilitate distribution. To enhance industrial growth entrepreneurship has to be encouraged. At the same time interference of the government in business has to be discouraged. The government is there only to regulate business not to conduct business.

The last speaker of the day was Mr Prashant Singh from Maharaja Agrasen University, Himachal Pradesh. He said that in any system the basic economic model relates to production and distribution of goods and services. In rural areas where small scale industry dominates, exchange of goods and services is mainly through barter system. But as the size of industry increases monetary transactions become a necessity. Surplus cash with the industrialists breeds vices like black money, corruption etc. But if we keep grounded in our values, this surplus cash can be used for the uplift of society.

The co-chief coordinator of the summit, Mr Ajit Tiwari from Kautilya International Foundation, thanked all the speakers for their scholarly presentations and participants for their interactive participation.

After the end of the second technical session, Prof M.K. Bhat, Director, MAIMS , presented a vote of thanks . He heartily congratulated the Chief Coordinators of the summit, Mr Ajit Tiwari and Ms Sumedha Dutta, and other summit coordinators Ms Riya Sharma , Dr Jagat Jyoti Barua and Mr Rajiv Jain .

The summit ended on a positive note leaving a lasting impact on the minds of all the participants.

