

## Future-Lies-in-Technological-Disruption

**A lot of important work done at the Aayog over the last six years can be attributed to you. But what do you think are your top few achievements which have changed the economic discourse?**

At NITI, I constantly strived to do innovative and cutting-edge work. We have driven initiatives across the spectrum, right from driving transformative mobility to enhancing socio-economic outcomes in Aspirational Districts, to PLI, Atal Tinkering Labs in schools to SDGs and from Green Hydrogen to Circular Economy.

When I look back at what we have been able to deliver, a few things are personally very close to my heart. Firstly, the startup movement. When we launched it, there were just a hundred odd startups. Today, I am proud that we are the third largest ecosystem with over 70,000 + startups and over 101+ unicorns. Facilitating ease of doing business was another rewarding experience. We made a quantum jump in our ease of doing business rankings and by ranking states, induced them to compete with each other and cut down on regulation which was hindering industrial growth.

A deeply personal project for me has been the Aspirational Districts Program at NITI Aayog. This is the largest outcome-based governance in the world where we have cut through complexities and improved socio-economic indicators of the 112 most backward districts of India through competition, collaboration and convergence. The results are out there for the world to see. Independent assessments, including those by UNDP are unequivocal in stating that these districts are doing better than other districts in the states.

I've had the opportunity to deliver on the PLI schemes, and these have really given an impetus to manufacturing, innovation and exports. Only with size, scale and quality can we penetrate global markets. Manufacturing alone can create good quality jobs.

National Monetization Pipeline (NMP) has also been a game-changer. NMP will unlock value from brownfield infrastructure assets through structured contractual partnerships with the private sector. This massive scheme has been widely successful and has already exceeded its intended target for the first year.

**What, according to you, could be some important tasks which the Aayog should take up on a priority basis going forward?**

The future lies in technological disruption and sunrise sectors of growth. That alone has the potential to allow India to leapfrog. You would see that countries across the world which have witnessed sustained growth over long time periods went through a combination of deep-rooted structural reforms and investing in sunrise sectors of growth. India has tremendous potential. We can emerge as the tech garage of the world. We can use technology to solve for the problems of our citizens – right from water to climate change and from food security to planned urbanization. At the same time, pushing evolving new technologies such as Advanced Cell Chemistry Batteries and Green Hydrogen would be the future.

The future is digital and green. India will have to be the first country in the world to industrialize without the need to carbonize. This is not a challenge. Rather, it is a massive opportunity. NITI must become the ambassador of technological disruption in India.

**India's economy is showing a healthy rebound post Covid but we need a sustainable double-digit growth over the next few years. Your prescription on how it can be achieved?**

India needs to sustain high trajectory growth for the next three decades. Vast reforms that have been carried out will provide a major impetus. World class infrastructure, competitive enterprises, and sustainable urbanisation will be crucial to this goal. States will have a leading role to play in making this a reality. The compliance burden on businesses must be eliminated by states. Cities must be recognised as the engines of growth. States must utilise the PM GatiShakti architecture to plan their infrastructure. Asset monetisation should be employed to raise revenues and unlock efficiencies in existing assets.

There are also new challenges that India faces. The impact of climate change is being felt. The multilateral trading order is weakening. Global supply chains are being

disrupted. To make a quantum jump, we must get into futuristic areas of growth. Industry 4.0 (AI/ML, IoT, AR/VR etc.), advanced chemistry cell batteries, advanced solar technologies, green hydrogen, genomics are some areas where India can establish itself as a world leader. Investments in human capital and R&D will be at the core of India's ability to technologically leapfrog.

**India is witnessing a high rate of inflation. Though RBI is intervening, as and when needed, do you think there is a need for intervention by the Centre to contain inflation?**

We are in the midst of a global rate hike cycle, primarily aimed at combating inflation. In developed economies, inflation is touching all-time highs, prompting some of the largest rate hikes we have seen. RBI has taken timely action in raising interest rates, with a cumulative 90 bps hike since April. The Centre, too, has played a key role by reducing excise duties on petrol and diesel in May. Food prices account for ~ 45% of India's inflation basket. Going forward, a good monsoon will see food prices moderate in the coming months. As inflation cools down globally, we should see inflation moderate in India as well.

**What is your take on India's capacity to enhance employment generation considering we still have high, single-digit unemployment rates**

Production linked incentive schemes in labour intensive sectors have been introduced. Construction, which is a large employer, is taking off owing to investments in infrastructure through the National Infrastructure Pipeline. Real estate is also set for growth on the back of growing demand, especially in non-metro cities, also boosting employment in construction. The gig economy will see significant employment generation, too. Recently, at NITI we released a report on "India's Booming Gig and Platform Economy", which found that an additional 2.35 crore jobs can be created in the gig economy by 2030. With labour intensive sectors showing signs of growth, we

will see unemployment rates come down. As the economy grows and expands, so will employment.

**Can you identify some of your unfinished work at the Aayog which you think needs a push to its completion and would help the country in a significant way.**

I had setup the Behavioural Insights Unit or the Nudge Unit of India with a vision to systematically and scientifically use behaviour science to strength public policy in India. Behaviour Science is rapidly transforming the core paradigm of global development and India's Nudge Unit will play a pivotal role in that. Transformative mobility has been something I have always been passionate about. This time, we floated a tender for 5,450 E-buses which was hugely successful. We discovered some of the lowest prices during the tender. Public transport is the lifeline of the citizens of the country. Next time, we are aiming for 50,000. I am confident that we can achieve this. When I joined NITI, I knew I was taking on a challenging assignment because we can never truly succeed without the partnership of states. There are several tasks which need even greater momentum. Improving health and education outcomes, improving nutritional standards, greater partnership with states, and focusing on outcomes.