Setting a floor

The paradox is that the Left has been so far successful in holding the line against the vanguard of free-trade unilateralism, precisely because it has not understood the need for a counter-offensive. The argument is that the growing capital intensity of India’s economic growth has effectively insulated the poor and the marginalised within the country from the full impact of the new global economy. But the Left is no longer the only one on the defensive. The government has also abandoned the practice of formulating a policy on trade liberalisation, and it has been replaced by a piecemeal approach that targets specific sectors of the economy. The Left has not been able to provide a coherent alternative to this approach, and as a result, it has been unable to articulate a clear position on the issues at stake.

RICH IS BEAUTIFUL

FEBRUARY 28, 2005  |  NEW DELHI

The cost of contentment

It is the beauty of a market society that it leaves room for people who want to work shorter hours, or in more congenial conditions, in return for less take-home pay. In the past, such people were few, and their number is still small. But in the future, as the economy grows and the demand for labour rises, the number of people who will choose to work shorter hours and in more congenial conditions will increase. The reason is that the cost of living, both in terms of money and time, will be lower. As the cost of living goes down, people will be able to afford to work shorter hours and in more congenial conditions. This is a trend that is likely to continue, and it will have a profound impact on the economy.