

## MAKE IN INDIA – AN ANALYSIS OF FUTURE

**ALI SAEED**

RESEARCH SCHOLAR  
DEPARTMENT OF SOUTH AFRICAN AND BRAZILIAN STUDIES  
ALIGARH MUSLIM UNIVERSITY  
ALIGARH.

---

### **ABSTRACT**

Call for 'Make in India' and subsequent announcement of various enabling measures created an atmosphere of hope that economy, particularly manufacturing, will be given a new boost. Timings the launching of scheme was appropriate as the global investors might be looking for investment friendly destinations. On the examination of why investors were shying away from India and whether the new measures will adequately remove the stumbling blocks for the potential investors. Two sets of governmental actions have been examined here are; legislative and administrative actions. There is no doubt that many of our archaic laws need serious relook but more than that there is a need to bring about political consensus as otherwise it creates an atmosphere of mutual mistrust and present as if industry and agriculture are competitors rather than complimentary to each other. As far as administrative actions are concerned merely policy change may not be sufficient unless accompanied by enabling administrative reforms at the ground level so as to implement the policy without dilution. "Make in India" programme is basically launched to boost the manufacturing sector which is in a very bad shape over past 3 decades. For making "Make in India" successful in real sense we have to make policy reforms in labour market as well as in land acquisition. Unless and until reforms are not made in these sectors we cannot dream of successful "Make in India" initiative.

**Purpose-** "Make in India" The major objective behind this initiative is to focus upon the heavy industries and public enterprises while generating employment in India. "Make in India" campaign aimed at making India a manufacturing hub and economic transformation in India while eliminating the unnecessary laws and regulations, making bureaucratic processes easier and shorter, and make government more transparent, responsive and accountable. This campaign basically gives hope to the unemployed to find a decent job if not big jobs as manufacturing leads to creation of lot of service sector activity. But India will have to make sure to focus on quality education rather than just skill development.

**Design/methodology/approach-** The paper seeks to deconstruct whole concept of "Make in India". For this purpose we went into the economics of "Make in India" and the factors that are the impediments for this purpose and the efforts/intended actions of the government to remove these impediments in order to make "Make in India" reality. For this purpose we have analysed the legislative actions underway to point out where the things might drift as the actions are required on the part of government as to make the atmosphere clear that has been crapped somehow. The said mistrust has the potentiality to derail the whole "Make in India" initiative. For administrative actions ground level governance needed to be streamlined so as to ensure proper functioning of the initiative.

**Findings -** As the programme is going to be launched on September 25, 2015, the thing which is worth watching is the proper execution of policies in the said manner.

**Research limitations/implications** – As the programme is underway we are still not sure as to what turn the future events may take place.

**Practical implications** – This paper points out measures which are to be taken as a wrong move may drag us in backward direction of “make in India” programme.

**Originality/value** – Though data for the paper has been taken from various reports but interpretation and analysis are solely of the author.

**KEYWORDS:** Make in India, manufacturing sector, reforms and policy.

---

## References

Besley, T and R. Burgess. (2004). Can labour regulation hinder economic performance? Evidence from India. *Quarterly Journal of Economics*, Vol. 119, No. 1, pp. 91-134.

Fallón, P and R. Lucas. (1991). The Impact of changes in job security regulations in India and Zimbabwe. *World Bank Economic Reviews*. Vol. 5, No. 3, pp. 395-413.

Planning Commission. (2001). Report of the taskforce on employment opportunities. [http://planningcommission.nic.in/aboutus/taskforce/tk\\_empopp.pdf](http://planningcommission.nic.in/aboutus/taskforce/tk_empopp.pdf)  
(Accessed on 28 June 2015).

Economy Profile of India.pdf, Doing Business 2015, World Bank Group

ILO. (2003) Key Indicators of the Labour Market, 3rd Edition. Geneva, ILO.  
<http://www.ilo.org/public/english/employment/strat/kilm/>

Bruno, S.F. (2001). “Measuring the effect of globalization on labour demand elasticity: an empirical application to OECD countries”. FLOWENLA Discussion Paper 2.

Islam, R. (2004). “The nexus of economic growth, employment and poverty reduction: an empirical analysis”. Recovery and Reconstruction Department, Geneva, ILO.

Mazumdar, D. (2003). “Trends in employment and the employment elasticity in manufacturing, 1971-92: an international comparison”. *Cambridge Journal of Economics* 27:563-582 (2003).