



Rajan stresses on focussed targeting of NYAY handout

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'Democracy crucial for next phase of India's growth'

- Former Governor of the Reserve Bank of India Raghuram Rajan said the Rs.72,000 minimum income guarantee scheme for the poor, NYAY, promised by Congress, needed to be targeted well and the fiscal space should be created for it.
- This is about capability building and not about keeping people out of the workforce and putting them permanently on some kind of dole.

Reducing leakages

- Mr. Rajan said there was lot to be worked out in terms of delivery of NYAY in terms of how to make it as effective as possible.
- Mr. Rajan, who is currently the Katherine Dusak Miller Distinguished Service Professor of Finance at the University of Chicago's Booth School of Business in the U.S., also said India could be well poised for an agriculture revolution, if the sector was viewed rightly rather than being treated as an industry which needed subsidy.
- Mr. Rajan also pointed out that factors such as corruption, disbelief in fairness of current system turn people against working for the best person and vote for autocratic people who promise them alternatives.

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