



Company: Westland

Media Evaluation:

Publication: DNA

Page No : 02

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# Piketty launches Hindi version of *Capital in the Twenty-First Century*

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If Margaret Atwood was the star of the show on days one and two of the Zee Jaipur Literature Festival (Zee JLF), day three belonged to the Thomas Piketty, the "rockstar" economist from France whose book "Capital in the Twenty-First Century" has been hailed everywhere as one of the most important books in economic thinking. Since its publication, it has sold more than 2.2 million copies worldwide with translations in 45 languages — Piketty's presence in Jaipur saw the launch of a Hindi one.

While the crowds didn't quite match the one that had assembled in the morning to listen to actress Kajol — who turned up at ZeeJLF on Saturday for a talk on Ashwin Sanghi's new book *The Sialkot Seige* — there was a packed hall at Piketty's two sessions, with lots of spontaneous applause greeting the lively debate between Piketty and the panel comprising chief economic advisor Arvind Subramanian, Sebastian Mallaby, journalist and author of *More Money Than God*, A history of hedge funds, and Pratap Bhanu Mehta, a popular columnist.

"The Indian elites have to accept at some point that they will have to pay more taxes to finance more inclusive and sustainable development model," Piketty said opening the debate. The West, he argued, had come around to accept social and fiscal reform and taxation for more inclusive and sustainable growth because of several crises in the 20th century — the World Wars, Great Depression, Bolshevik Revolution, etc — and he hoped the

Indian elites would be smarter and realise the logic of a more equitable redistribution of wealth for more sustainable growth.

This is the central thesis of Piketty's book which analyses data from the 18th century onwards, from several countries in the West, to show that when the return on capital is higher than the rate at which an economic is growing it leads to the concentration of wealth in the hands of a few elite, and concomitant increase in economic inequality, leading to social and economic unrest. Piketty's prescription of this imbalance is higher taxes in the wealthy, and more government investments in education, health and other infrastructure.

The issue has deep resonances in India, where the government has been increasingly stepping back from investing in social infrastructure in recent years even as it battles a creeping slowdown in growth rates.

Subramanian, giving possibly the government point of view countered Piketty saying that he had tried to gather historical data on income in India for his book, but had failed. "India is a country with income tax, but no income tax statistics," he revealed, adding, "There are other countries in the world which don't publish income tax data like China. The difference with India is that it used to publish income tax data but in 2000, it was stopped. So, for the past 15 years it is impossible to know, year after year, the number of taxpayers, how much they earn. And this is a country where the Right to Information Act was adopted 15 years ago."



Top: Thomas Piketty (2nd from R) along with other dignitaries during the launch of his book in Hindi  
Above: Sudha Sadhanand, Bollywood actor Kajol & Ashwin Sanghi at the Zee Jaipur Literature Fest

## Faulting thesis

Subramanian faulted Piketty's thesis for being too centred around economies in the West. Piketty's had not taken into account the dynamism of a developing country like India, where the rate of economic growth would continue to be far higher than return on capital for many decades to come, Subramanian said. "Thomas's book gives weight to the registration agenda over the growth agenda. I am not willing to buy into that agenda at this point of time," he added.

## For reservation

Piketty was, however, greatly appreciative of India's attempts to deal with social inequality through reservations. "Many developed have much to learn from this experiment," he said that even in his own native France, where equality was one of the principle tenets of its republic, the poor, especially from North Africa, faced immense discrimination in accessing education and employment. "Perhaps, it is time now to take a relook at the reservations policy centred around caste, and bring in criteria like parental wealth and assets to distribute the benefits," he added.

## Heard at the fest

"We must have more of these informal initiatives that have a human touch. (If that happens) we're bound to succeed, and peace between India & Pak is bound to happen

—Sudheendra Kulkarni on PM Modi's impromptu Lahore visit on Nawaz Sharif's birthday

"Nobody should have to leave their country. People make wrong statements. It doesn't mean it applies to each and every one of us

—Pinky Anand, SC lawyer and BJP spokesperson

"This is not a game-changing government, but a name-changing government

—Shashi Tharoor, Congress MP