

Vocal for Local Approach in Development of India Pre and Post Covid-19

Dr. Baljeet Singh

Assistant Professor

LNT College of Education, Panipat, Haryana, India

Abstract: *Atmanirbhar Bharat Abhiyaan (the self-reliant India movement) and Be-Vocal-for-Local (BVFL) are two strategic concepts that emerged from Indian Prime Minister Narendra Modi's speech to the nation on May 12, 2020, announcing a combined fiscal, monetary, regulatory, and structural reform package of INR 20 trillion, or roughly 10% of India's GDP, and explain India's economic and social strategy. In response to our Prime Minister's demand to be a "vocal for local," a number of Indian businesses with significant customer bases and market share in India have begun using "vocal for local" themes in all of their advertising campaigns. Their goods are being promoted with a strong 'Made in India' theme, while they proudly showcase their Indian heritage. In terms of consumer preferences, after their financial losses during the lockdown, customers are also calling for swadeshi items in an effort to stimulate the economy. The observed shift in consumer perspective may be attributed to growing consciousness about bolstering the Indian economy and appreciating the need to reduce reliance on other nations. We can plainly see the obvious difference in the countrywide lockdown brought on by the COVID-19 outbreak in the economic downturn. The goal of all major manufacturers is to differentiate their brand from "Made in China" by positioning it as a "Indian Product" or one that is clearly labeled as such. The Indian government allowed foreign businesses to enter and invest in the country's market after liberalization in 1990, but what's more worrisome is that low-cost Chinese goods have taken over the Indian market, and consumers have come to prefer them without realizing that they are actually forcing Indian producers into financial hardship. 'Made in India' seems to be going to be a big role in influencing consumer purchasing behavior in the future, especially since the motto of becoming 'Atma-Nirbhar' was adopted to lessen the effect of COVID-19. In an effort to assist the 'Vocal for Local' movement, this research looked at similar themes and the ways that some FMCG firms changed their advertising strategies.*

Keywords: Vocal for Local, Indian Brands, FMCG Companies, Local Brands.

I. INTRODUCTION

Atmanirbhar Bharat Abhiyaan (the self-reliant India movement) and Be-Vocal-for-Local (BVFL) are two strategic concepts that emerged from Indian Prime Minister Narendra Modi's speech to the nation on May 12, 2020, announcing a combined fiscal, monetary, regulatory, and structural reform package of INR 20 trillion, or roughly 10% of India's GDP, and explain India's economic and social strategy. Initiating pending regulatory changes, such labor reforms, utility reforms, and regulations granting farmers considerably more economic independence, is frequently made easier by a crisis in political economy. The policy orientation has been toward more professionalism, more contestability and competitiveness, and responsibility for the resources utilized by society.

In light of emerging globalization trends (low growth for an uncertain period; restricted international trade, tourism, and investment flows; and attempts to restructure global supply and logistics chains, particularly in reducing overdependence on one country or avenue), this column explains one possible way to interpret these terms. The nations are also looking at ways to lower the risks associated with securing a fair and secure supply that can resist shocks related to food items, medications, medical equipment, and certain critical technology.

The Background

It is now clear that the Wuhan, China-originating COVID-19 epidemic is to blame for the global public health emergency as well as the catastrophic economic and social upheaval it has caused. Strong signs suggest that despite restoring economic activity, the globe will need to handle this epidemic for an unforeseen amount of time. Indian officials have responded to COVID-19 in a prompt, methodical, and well-organized manner. Therefore, as of May 28, 2020, there were 46.4 COVID-19 fatalities per million worldwide (India had 3), and 759 COVID-19 cases per million people recorded worldwide (India had 120).

The same source states that India's 42.9% recovery rate was about equivalent to the 43.7% worldwide average. The average case fatality rate worldwide as of May 26, 2020, was around 6.4%; nonetheless, However, there is no time to relax since there are still a lot of unknowns concerning COVID-19, such as when a vaccine will become available that is effective and if the virus will resurface soon enough to need another significant government reaction. Together with these variables, India's central and state governments owed INR 128 trillion in 2018–19, or 67% of GDP, in liabilities. India's fiscal deficits in 2020–21 and 2021–22 are anticipated to be significantly higher than those specified by the FRBM (Fiscal Responsibility and Budget Management) Acts. Additionally, the country's consistently high trade deficits—official estimates for 2019–20 indicate that India had a USD 153 billion trade deficit in goods but a USD 83 billion surplus in services trade, for a combined deficit of USD 70 billion—have appropriately caused Indian policymakers to be cautious in their current response. However, the decision-makers have said that they would act quickly and appropriately if the case calls for it.

Interpreting Atmanirbhar Bharat Abhiyaan (ABA) and Be-Vocal -for-Local (BVFL)

Atmanirbhar Bharat Abhiyaan means "Self-Reliant India Movement." In the context of India's high global integration and its pursuit of even higher integration based on enhanced global competitiveness and competence, self-reliance should not be confused with its abandoned and ineffectual 1960s and 1970s import substitution strategies. India has substantial worldwide economic interconnectedness, as shown by many instances. Post-COVID-19 pandemic commerce, remittances, and foreign portfolio movements will be affected. To persuade public and private sector stakeholders of leaders' objectives, skilled economic and social management will be needed more than ever. India exported and imported 1.67%, 2.57%, and 3.54% of the world's services in 2018. Global trade contributed 45% to India's GDP. Second, the Indian Ministry of Commerce and Industry estimates that foreign direct investment inflows (defined as "Equity inflows" + "Re-invested earnings" + "Other capital") were USD 642.4 billion as of September 2019. The Reserve Bank of India reported USD 73.5 billion in FDI into India in 2019–20, up 18% from the previous year. FDI invested \$50 billion in shares in 2019–20. Third, FII and FPI investments are expected to exceed USD 440 billion in January 2020, approximately one-sixth of the country's GDP.

Eighty more offshore FPIs await. About 200 offshore FPIs have registered with SEBI since March 2020. May saw 9,789 FPIs in India, up from 9,585 on March 1 and 9,533 at the start of 2020. Fourth, India's foreign currency reserves rose to USD 485 billion on May 8, 2020, which is adequate. Fifth, India has received the greatest gross incoming remittances since 2005. It has also helped Bangladesh and Nepal achieve considerable inbound remittance flows.

Sixth, India is home to international organizations that affect global governance and is adopting global scientific, commercial, and economic management practices. In 2015, the International Solar Alliance (ISA), a treaty-based intergovernmental organization with 121 members, was created to create a global market system for solar power and sustainable energy. Its headquarters are in Gurugram, India. On May 26, 2020, the Ministry of New and Renewable Energy (MNRE) will solicit proposals from competent consulting firms to develop an institutional framework, implementation plan, road map, and long-term vision for 'One Sun One World One Grid'.

The OSOWOG initiative is planned across 3 phases:

Phase I of the Middle East, South Asia, and South East Asia (MESASEA) interconnection connects the Indian Grid to the grids in the Middle East, South Asia, and South-East Asia to exchange solar and other renewable energy resources to meet peak demand and other electrical demands. Phase II (MESASEA Grid-African Electricity Pool Interconnection): Solar and renewable energy-rich countries might exchange power produced by these sources. Phase III—global interconnectedness—aims to achieve One Sun, One World, One Grid. The ABA and BVFL boost India's

competitiveness in a wide range of industries and activities that aren't being explored for value addition and create new growth hubs and business establishments, despite the COVID-19 pandemic. BVFL should be utilized with the above to change attitudes and behaviors about the value contributed to Indian activities and commodities by local and foreign firms. Made in India and Made in India abbreviate this concept. These notions should not be taken literally. The BVFL is needed because Indians tend to overvalue foreign persons and organizations and undervalue their own management, ideas, commodities, and procedures. Several things cause this. Being vocal and proud of locally produced items, ideas, insights, and achievements will indicate a change in behavior. This transformation takes time and effort. The combination of the two ideas represents an optimistic, confident, and outward-looking world view, unlike the previous import substitution policies, which were based on export pessimism, weak macroeconomic and external sector indicators, and a lack of confidence in Indian capabilities by society leaders. These do not describe contemporary India, its people, or its leadership.

Design and Implementation of the Two Strategic Ideas

Prime Minister Modi outlined five interconnected pillars in his speech on May 12, 2020: the economy, infrastructure, technologically advanced systems and structures, favorable demographics, and demand. These two strategic concepts must be applied to each of these pillars in a consistent, skillful, and context-specific manner.

This calls for leadership from all parties involved, not just the federal government, at the municipal and regional levels. Thus, handling the COVID-19 epidemic and its aftermath requires decentralization, deconcentration, and increased economic and managerial independence with responsibility and accountability.

The economy is the foundation. India's main challenges of providing productive livelihoods and addressing urbanization challenges cannot be pursued vigorously without a strong and diversified economy, which is manifested not only in internal and external macroeconomic indicators but also in avoiding counterproductive imbalances in supply and demand. As a result, although this pillar is vital, it also has to be integrated with others.

Select examples of how ABV and BVFL are already being applied to the economy are the following:

Since the outbreak, India has become the world's second-largest producer of N95 and PPES masks, generating 0.3 million daily. PPE includes surgical and N-95 masks, surgical and examination gloves, coveralls, gowns, goggles, faceshields, and shoe coverings. More than 600 Indian companies contribute to the global PPES market, which is expected to grow from USD 52.7 billion in 2019 to over USD 92.5 billion by 2025. Indians desire to join this business.

Second, although still relying on France, the US, and others for military gear, India is increasing its defense manufacturing capabilities. According to the two strategic objectives above, India wants to lead global commerce and supply chains for a wide range of defense sector products and services. Defense ordinance plants will become corporate, allowing private sector engagement.

Third, India will become more competitive in space. Fourth, India has created a task force to increase oil seed output to secure its cooking oil supply. A herbal belt with medicinal and herbal trees would be built along 800 km of federal and state roadways in Uttar Pradesh under Yogi Adityanath. He said these plants would prevent soil erosion and provide medicinal raw ingredients. These herbal roads recharge rainfall.

Fifth, Reliance Industries, an Indian corporation worth over USD 120 billion, has attracted over USD 10 billion in FDI since March 2020 despite the pandemic. Reliance Jio Infocomm Ltd., a holding firm that wants to dominate India's large consumer market in e-commerce and payments, is another said to be listing overseas. India has also developed new development centers to boost their economy after the epidemic. Sixth, some governments have task forces to attract foreign and domestic investment. Tamil Nadu, Karnataka, and Uttar Pradesh. Von Wellx, a German footwear business, will move its production facilities from China to Agra, Uttar Pradesh, sources said. More than 100 million customers use the company in 80 countries. Second pillar: infrastructure. The INR 20 trillion package includes several infrastructural initiatives. These include increasing global aviation maintenance, repair, and overhaul (MRO) competitiveness, releasing large quantities of coal and other minerals, and enhancing industrial infrastructure. Infrastructure and transportation projects are happening along India's borders.

Current infrastructure projects in India are ongoing. In the INR 120 billion "Chardham" project, the Border Roads Organization (BRO) completed the building of a tunnel beneath the densely populated Chamba town on the Rishikesh-

Dharasu highway (NH 94) in Uttarakhand on May 26, 2020. The BRO is creating a 250 km national highway to link Gangotri and Badrinath as part of the "Char Dham" project.

A Task Force on National Infrastructure Pipeline (NIP) released its conclusions in December 2019, along with the INR 20 trillion package and ongoing infrastructure projects. The whole report is accessible. The Task Force estimates that India's infrastructure industries would spend INR 102 trillion on project capital between 2020 and 2025. Over two-thirds of India's 2020–2025 infrastructure investments are predicted to go to energy (24%), urban (16%), railroads (13%) and highways (19%). INR 33 trillion (32%) is in conception, INR 43 trillion (42%), is being executed, and the rest is being developed. These are the expected capital expenditures. Local and worldwide private sector contribution is expected to be 22% of infrastructure investment, with the Center and State each providing 39%. In weight, responsibility, and self-interest, the states have equal stake in NIP's success. Better-prepared states will have a competitive advantage, affecting their value-added and economic location. The Task Force advised the federal and state governments to modify certain sectoral policies and initiate further reform programs. Additionally, a monitoring system is suggested to ensure quick deployment. The pandemic will affect NIP projections, but because more than two-fifths of projects are already underway, it is unlikely to affect structure and patterns. India is considering establishing a World Solar Bank (WSB), which would require USD 2 billion in paid-up capital and USD 10 billion in equity capital. India may pay \$3 billion for a 30% stake in WSB and take over. ISA aims to raise \$1 trillion and lower finance and technology expenses. The third pillar includes technology-driven frameworks for public and private service delivery, governance, economic and social management, and direct government program benefit deposit into bank accounts. India's startup ecosystem is in the top five. Over 30,000 startups have received central government recognition. Their technology is improving as they work in business-to-business and consumer sectors. Additionally, they attract FDI. Focusing on Indian firms and consumers' issues is positive. For instance, India's 12 million family-owned tiny Kirana businesses provide groceries and other needs and control an increasing portion of an estimated USD 700 billion consumer market. These shops employ technology for inventory, payment, and buying. The government disbursed epidemic benefits safely and without leakage via political operators using JAM (the Pradhan Mantri Jan Dhan Yojana (PMJDY), Aadhar cards, and mobile phone technologies). These initiatives' underpinnings have been improved after the government took governance duties in 2014. On May 13, 2020, there were 2.9 billion Rupay debit cards and 386 million Jan Dhan Bank accounts with INR 359 billion in balances. One of the world's largest and most successful technology-facilitated financial inclusion efforts. The one-nation, one-ration card initiative is another ambitious technological idea. Under this scheme, public distribution system (PDS) outlets nationwide would sell food grains at a discount to all citizens. It covers 17 states in May 2020. Coverage is expected for all states by 2020. This will help low-income households—estimated at 15–20 million migrant workers—get subsidized food. We trade power with technology. Electricity markets should introduce real-time trading shortly. Power may be bought in the real-time market one hour before usage, unlike the day-ahead market utilized by discoms on spot markets. This matches India's 2030 renewable energy goal of 450 GW. Positive demographic trends are the fourth pillar. India is likely to have a younger demographic profile than many other countries in the next decades. Over two-fifths of India's 1380 million individuals will be under 21 in 2020. Even in 2030, 8.5% of the population will be over 65, with a median age of 31.2. If properly accessed through growth enabling and marketable skill upgrading, the relatively youthful population could lead to greater development. India is extending marketable skills training for more individuals and becoming more hopeful about its human resources. Yogi Adityanath concluded mapping the skills of 14.75 lakh migrant workers who returned to Uttar Pradesh during shutdown. The government would provide social security and employment to all migrant workers based on their skills. The Yogi administration will only employ from other states if they provide social security. The Yogi Adityanath government is signing MOUs with business groupings to engage one million of the 9.5 returning migrants. Uttar Pradesh must hire more people and improve their skills to counter rising labor costs and sustain the above measures. Combining state and federal social security will save money and other resources. Second, Facebook and the Tribal Affairs Ministry trained 5,000 individuals in diverse fields. The pandemic has extended online learning and offered individuals of all ages more ways to acquire new skills. This improves human powers. India's educational system may be reformed to align with Indian civilizational values, the ABA, and the BVFL, emphasizing livelihood skills. Indian demand—its purchasing power—is the fifth pillar. Investments, not exports, government spending on completed goods and services, and consumer spending produce national income, account demand. Though

three-fifths of India's GDP originates from consumption, governmental and private investment spending—known as supply side—also stimulates demand and helps consumers and firms. The ABA and BVFL strategic programs promote demand multiplier effects, benefiting the local economy. India's nominal GDP in 2019 was USD 2.9 trillion, or USD 10.5 trillion PPP. India's economy ranked sixth in 2019-17. Although some analysts are pessimistic about India's development prospects in 2020 and 2021, the IMF anticipates its real GDP growth at 1.9% in its April 2020 World Economic Outlook, the highest among major nations. As explained in this column, India's strong fundamentals and policymakers' actions suggest that beginning in the second half of 2021, the country's development trajectory will position it among the world's fastest-growing large economies. India must capitalize on its huge demand for technology and services to enhance ties with the globe.

II. CONCLUDING REMARKS

This column explains two major topics from Indian Prime Minister Narendra Modi's May 12, 2020 address, which announced a combined fiscal, monetary, regulatory, and structural reform package of INR 20 trillion, or 10% of India's GDP. These ideas will guide India's economic and social agenda during and after COVID-19. The self-reliant India movement and Be-Vocal-for-Local (BVFL) are examples. Implement these strategic principles in the five pillars of the economy: infrastructure, technology-driven systems and structures, demand, and favorable demographics. "ABA is not antiglobalization," stated NITI Aayog CEO Amitabh Kant. The objective is to make India self-sufficient and confident enough to compete globally. Driving India's socioeconomic transformation is the objective.

In India's response to globalization, the poor socio-economic-demographic data system has been evident in planning and execution. This demands urgent attention and outcomes. Improvements to the statistics system need the Citizenship Amendment Act (CAA) and the National Register of Citizens, which gives citizenship to illegal non-Muslim migrants from three countries who entered India before December 31, 2014.

REFERENCES

- [1]. <https://www.worldometers.info/coronavirus/>
- [2]. <https://www.worldometers.info/coronavirus/>). Accessed on May 29, 2020.
- [3]. https://www.rbi.org.in/scripts/Publications_View.aspx?id=19104 accessed
- [4]. https://www.rbi.org.in/scripts/Publications_View.aspx?id=19104%20accessed) on May 25,2020;
- [5]. <https://www.myind.net/Home/viewArticle/a-comparative-analysis-of-indias-globaleconomic-integration> Accessed on May 24 (<https://www.myind.net/Home/viewArticle/acomparative-analysis-of-indias-global-economic-integration%20Accessed%20on%20May%2024>), 2020
- [6]. https://dipp.gov.in/sites/default/files/FDI_Factsheet_September2019_01January2019.pdf
- [7]. https://isolaralliance.org/steps_framework.php (https://isolaralliance.org/steps_framework.php)) Accessed on May 25, 2020
- [8]. <https://tfipost.com/2020/05/german-footwear-company-shifts-factory-from-china-to-agrayogi-govts-quick-reforms-start-paying-off/>(<https://tfipost.com/2020/05/german-footwearcompany-shifts-factory-from-china-to-agra-yogi-govts-quick-reforms-start-paying-off/>) Accessed on May 25,2020
- [9]. <http://164.100.117.97/WriteReadData/userfiles/DEA%20IPF%20NIP%20Report%20Vol%201>(<http://164.100.117.97/WriteReadData/userfiles/DEA%20IPF%20NIP%20Report%20V%0l%20.pdf> 1.pdf)
- [10]. <https://pmjdy.gov.in/account> Accessed on May 25,2020
- [11]. <https://pmjdy.gov.in/account%20Accessed%20on%20May%2025,2020>).