

## **Trickle-down Theory Incorrect: Jaipal Reddy**

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Union minister S Jaipal Reddy.

The proposition that market-led growth ultimately trickles down to masses to eliminate poverty and bring equity among different sections of society is insufficient and incorrect, observed Union minister S Jaipal Reddy.

Delivering the keynote address at a seminar titled 'Democracy, Socialism and Visions for the 21st Century' organised jointly by the Telangana Intellectuals Forum and Centre for Dalit Studies here on Friday he said, "In addition to abolition of poverty as a goal, we must also consider reduction of income inequalities. Concentration of wealth also promotes militaristic tendencies in the society."

He opined that aggressive assertion of ethnic identity is dangerous and appealed for transcending individual cultural identities. "We have not yet reached where we can say that we have already transcended cultural identities. The socialism for present age should also promote multiculturalism and environmentalism," he pointed out.

The two decades of globalisation has shown that market dominance and crony capitalism are actually undermining the political legitimacy of infant democracies, former Supreme Court judge Justice Sudershan Reddy said.

"The sovereignty of nations and regions does not lie with the national governments or international agencies but lies with the international market forces. Consequently, the state has began to function like a market where it prioritises markets. This has been testified for the last three decades where states became strong votaries of neo-liberal forces," he observed.

With the failure in regulation of 'predatory' force of capitalists there is strong revulsion among masses which does not bode well for a democracy. "The people at the bottom-level feel that they have been forsaken leading to social unrest. However, the capitalists still continue to exploit the natural resources," he added.

India needs to learn from East Asian countries in attaining financial autonomy which promotes indigenous industries. "Although, countries like China are considered as inegalitarian, they could able to attain the financial autonomy by generating surplus from their own reserves. lamented political economist Amiya Kumar Bagchi.

Unlike, the 20th century socialism, the 21st century socialism should include state, said Marta Harnecker Chilean sociologist and political scientist. "In 20th century socialism, the state was first destroyed to usher in reforms. But, today the state must become an inherent part of the reform process. The movement should first conquer the government," she added.

Unlike any other movement, Telangana struggle for statehood was highly democratised representing every community, said Rama Melkote, former OU professor.

observations

- Aggressive assertion of ethnic identity is dangerous
- Socialism should also promote multiculturalism and environmentalism
- Sovereignty of nations and regions lies not with govts or global agencies but with market forces.