

From the Editor

It seems churlish to sound a pessimistic note about India's economy when a large contingent of our business and political leaders is hard at work evangelizing "India Inclusive" at the World Economic Forum in Davos. Here in teeming India, though, we could not help gathering several worrying threads in a cautionary skein. Soaring food prices have caught our middle class and poor in a merciless vise. Industrial output growth is stuttering. Interest rates are high enough to drive corporate borrowers overseas, and small borrowers into despair. Infrastructure spending and capital formation are not growing fast enough. Supply chains are not getting goods and commodities efficiently or in sufficient quantities to support our growing and demanding population. Shame and scandal blot our front pages. We can only study this Rorschach test of legislative and reform paralysis and ask ourselves if we can be the world-beating powerhouse of ideas, innovation and entrepreneurship that we want to be.

So, is India slowing? Not if you look at bald statistics. We will grow by at least 8.5 per cent this fiscal year. The stock market has fallen, but not far enough to unduly worry investors. The services sector is booming. Car and commercial vehicle sales are soaring, and air cargo and passenger traffic growth are high. Both the *kharif* and *rabi* harvests look good. Are we, therefore, guilty of unnecessary self-flagellation and doubt? At *Business Today*, we continually chronicle and celebrate economic success; but we do not wear rose-tinted glasses. We spot trends and analyse them, and we connect the

dots for you. Four weeks before the Finance Minister presents his annual Budget, we take stock of the macroeconomy starting on page 59. Associate Editor Puja Mehra led our team of writers in combing through the evidence; she also engaged RBI Deputy Governor Subir Gokarn in a candid interview. We polled five economists. They sound worried, but the mood can brighten as quickly as it has clouded. Reforms, education and the fact that millions upon millions of Indians are rising from poverty create a virtuous cycle. We comforted ourselves with the news that

some of our business leaders at Davos put the latest Audi model through its paces on the icy Swiss roads, before it is launched in India this month. Their exhilaration will hopefully drive their investment decisions back home.

Mumbai's hothouse stock market can fuel excessive exuberance from time to time, and Senior Editor Anand Adhikari's investigation of wannabe bull Sanjay Dangi on page 90 spins an intricate web of price management.

Mamata means compassion, but the quality of the Railway Minister's mercy is certainly strained when she fixes her gaze on her rivals in West Bengal. Associate Editor Kushan Mitra travelled to Kolkata, Singur and Asansol to piece together a despatch on how the world's longest-lived elected communist government may just be fumbling its way out of power. That change may do the state a fair bit of good. Ms Banerjee's Trinamool Congress promises to bring in peace and development.

Spring is in the air, and this issue of *BT* is a cornucopia of good stories — an interview with Nobel laureate and argumentative Indian Amartya Sen; the heart-tugging tale of a half million rickshaw-pullers parlaying their wheels out of penury; an uplifting account of how Bangalore's buses run up a profit; the business of "body sculpting" and looking good, and much more. You will find your fortnight packed.



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