

26 Improving engineering skills in India

(A detailed version of this chapter in notes #301.026 on <http://facebook.com/mehtarahulc>)

26.1 How bad is engineering in India?

We import almost every mobile phone. And whatever petty mobile we manufacture, they are assembled, not really manufactured. Some cars are technically manufactured in India, but assembly lines are imported, the robots used to manufacture cars are imported and most of the complex parts used in the car are also imported. The switching equipment in the phone companies are all imported. All PCs are imported or assembled. We don't even manufacture 8 bit CPU chips and they are all imported eg chip in Electronic Voting Machine is made in USA !! Compare with China --- China manufactures even 64 bit CPU chips, all switching equipment and almost everything except first grade technical goods.

Because of inability to manufacture basic electronics components and mechanical engineering products has created chronic inability to manufacture quality weapons. We cant manufacture fighter planes, we cant manufacture tanks, we cant manufacture missiles and we cant even manufacture AK-100 level rifles. Forget manufacturing Bofors guns, we cant even manufacture its shells. The lack of manufacturing skills has made our weapon manufacturing capabilities weak and also jeopardized security. This has made us dependent on USA and USA will use this to enslave us in future.

26.2 How to improve engineering skills, productivity in India?

Following are Gazette Notification drafts that would improve Engineering skills in India. Now, I am not proposing that citizens should elect 300 RRP candidates as MPs and we will enact following laws. My proposal is that we activists should raise mass-movement to convince PM to print TCP in the Gazette, and using TCP we can get citizens opinions on following proposed Gazette drafts :

1. **Right to Recall District Education Officer, Education Minister, University VC** : I at Right to Recall Party propose to enact RTR over DEO, State Education Minister, Central education Minister, University VC and many other key positions in education. I propose to enact these RTR laws using TCP. These RTR laws are necessary to improve class I to class XII education and college education.. The draft of RTR-DEO is given in chap-30.
2. **Saatya System over Maths, Sciences** : Using TCP, I propose to introduce Saatya System (described in next chapter) in subjects like Maths, Science etc. The Saatya System will also promote adult education of Maths, Sciences etc. Saatya System is described in chap-30.
3. **Fast, least unfair and least nexused disposal of disputes** : In USA, typical criminal case takes 1-2 months and civil cases take 5-6 months. In China case disposal rate is fast, but less fair than USA. In India, case go on for years and too often verdicts are unfair. Faster the speed and lesser the unfairness, lesser is the need for factory owner to develop nexuses with those in power, This enables him to focus more on his job and become more productive, more creative and more focused. This improved Engineering. How to make courts speedier, less nexused and less unfair? Solution is RTR-judges, Jury System etc. The drafts are given in chap-7 and chap-21.
4. **Enact social security for labor** : Using TCP, I propose to enact MRCM law (see chap-5 for draft). The MRCM law-draft will ensure that every citizen gets mineral royalties and land rents from GoI plots every month, and this will create social security for all citizens including labor. The

social security system makes labor immune to exploitation. And this also forces the employer to pay certain minimum wage without any law. This increases employers will to improve technology that would reduce labor use. This improves manufacturing and engineering skills. The social security system also enables creative minds to leave employment and focus on their personal research. This increases new innovations in the market. MRCM draft is given in chap-5 .

5. **Hire-fire** : In absence of hire-fire laws, the indiscipline and irresponsibility will increase. And when employer makes loses, forcing him to pay the labor will only force him to sell away his industry to wealthy individuals or MNCs. This will only increase the strength of MNCs and wealthy individuals. IOW, if we support a law-draft that an employer cant expel workers to cut costs, then MNCs and wealthy individuals who have ability to bribe bank directors and Finance Ministers will be able to get low interest loans and survive this burden. But the small time employers who are in constant competitive environment, and have no contacts to bribe bank directors or Finance Ministers will be left with no option but to sell away their units to MNCs and wealthy individuals. IOW, no-fire laws benefit wealthy and corrupt individuals only.
6. **Easy entry exit laws to maximize the competition** : Weapon manufacturing requires engineering talent. The only way to create engineering talent in engineers is by creating situation where in they are confronting (non-violent) ruthless competition with other engineers. Training in colleges can only make them familiar with issues and research in universities can only do some path-breaking work or waste time. An engineer acquires ground skills only when that engineer is in real industry and when he is confronting real competition. And easy entry-exit laws are necessary to maximize the competition.
7. **High custom duty** : Either country should be at par with technologically most advanced country in the world or laws must ensure very high import duties on all goods except natural raw materials. Since India is far from acquiring capability that would compare with even Vietnam, forget China and even forget Germany, Japan or US, it is necessary for us to impose 300% custom duty on imports so that local manufacturing gets the local market. Of all custom duty collected, 33% will go directly to the citizens.
8. **Reducing cost of land** : One of the biggest fixed cost in startup is rent during initial loss-making period. Lesser this rent, easier it is for a person to start a new venture. How do I at Right to Recall Party propose to reduce cost/rent of the land? By using TCP to enact MRCM and Wealth Tax laws. MRCM reduces land rent as all entities which are occupying GoI land more than they need will now give up the excess land they have and so supply of land will increase. And Wealth Tax will reduce ability to hoard land, and so that too will bring down the cost of land. This will increase number of industries and shops and will increase employment as well engineering skills. Wealth Tax draft is given in chap-25 and MRCM-draft is given in chap5 .
9. **Increase purchasing power of commons** : MRCM will increase purchasing power of the commons. And MRCM and Wealth Tax laws will decrease rents and so the money commons pay as rent will decrease, and this will leave them with more money to purchase goods. The abolition of VAT, Service Tax will also increase incomes or reduce costs or both in parts. So these laws proposed by me, to be passed using TCP, will increase purchasing power. The increase in purchasing power coupled with 300% import duties will increase local manufacturing and thus increase engineering skills.

10. Creation , promotion of WOICs : In Company Act, I propose to add one more category of company called as Wholly Owned by Indians Company aka WOIC. If a company is registered as WOIC then only Indian citizens (resident in India), Govt bodies and other WOIC can purchase its shares and the individual level share-ownership will be put on the internet. And many businesses such as Telecom, Oil Drilling, Insurances, Banking etc will be allowed to WOICs only. This will further promote manufacturing in India.. WOIC concept is described in chap-20.

26.3 Counter arguments against counter-arguments against high Custom duties

The MNCs have bribed 1000s of economists in India to claim that low import duties is good for Indian citizens. These economists conveniently ignore the fact that if cheap imports are allowed, then engineering in India will never improve and Indian Military will weaken, and India will become slave of US once again. These economists have relatives in US who have green card or they have connections with high persons in US using which they can get US green card any day. So these economists don't mind if Indian Military weakens and India dies. But I request concerned citizens to counter these economists by asking them how they plan to improve India's weapon manufacturing capabilities. You will notice that these economists will start mumbling and fumbling, and that will put the case to rest.

26.4 Counter arguments against counter-arguments against hire-fire

There are many who insist on strict labor laws and are against hire-fire. They claim that hire-fire is pro-rich and anti-poor. Lets examine these pro-labor people views in totality.

Most of these so called self certified pro-labor pro-poor people oppose MRCM law-draft i.e they oppose the proposal that mineral royalties and land rent should directly go to citizens. Why? Ask them. But my allegation is that they are not all that pro-poor, or else they would have immediately supported MRCM. But their hostility against MRCM and against giving direct payments to citizens should prove to every concerned citizens that these anti-hire-fire people are not pro-poor at all.

Then why do they oppose hire-fire? Lets examine anatomy of labor laws which over-protect the labor and disallow hire-fire. **The anti-hire-fire laws hurt middle level companies more than they hurt super-rich companies.** Why? The super rich can give money to relative lawyers of labor court judges and High Court judges and get away with labor laws. For middle level employers it is not all that easy. Also, when there is down season, the super rich can bribe bank directors and Finance Minister, and so they can get ample amount of loans to retain the labor. But a middle level company owner will get ruined by inability to fire the labor in down turn period.

So all in all, the over protected labor laws benefit super-rich over middle rich. And it benefited the foreign companies the most as strict labor laws would deter the growth in India. And this was the reason why so called labor leaders kept supporting over-protective labor laws – they were getting sponsorship from foreign elitemen and local super-elitemen, because they saw labor laws as ways to keep middle level companies in check. The grassroots workers got fooled into believing that they were serving the poor. In reality, they were serving only the super rich by supporting over-protective labor.

Next argument given against hire-fire is that employer made profits during good days and so during bad days he may be asked to bear the loss. Well, on good day, he paid taxes too, and from taxes the Govt can pay dole to the worker on the bad day. We need not force employer for this.

26.5 Stand of other Political Parties

All other political parties are shamelessly ignoring the issue of raising engineering skills in India. The main reason being MNC funding coming to these parties' leaders. I request all activists to ask their party leaders to accept the laws I have proposed to increase engineering skills in India. Their refusal to accept these laws should convince the workers that leaders loyalties are not in the right place.

26.6 How can YOU do improve Engineering skills in India

Please send order to PM and Loksabha Speaker via SMS that your Yes\No sent via SMS on any bill presented in the Parliament should be posted on the website of Parliament. Pls send order to CM via SMS to print RTR-DEO draft in Gazette to improve Maths\Science education. And pls also send necessary orders to CM\PM via SMS\emails. Please also read chap-13 of this book <http://rahulmehta.com/301.htm> . It has several steps where-in you can spend 6 hours a week and help to bring TCP draft in Gazette in India. The steps involve distributing pamphlets, informing citizens on motives of leaders such Congress MPs, BJP MPs, The Anna, Arvind Gandhi etc who oppose TCP draft, by giving newspaper ads, contesting elections. Once TCP gets printed in Gazette, using TCP, it will become easy for activists to get citizens opinion on following drafts – MRCM, RTR PM, RTR Supreme Court judges,. RTR-judges, Jury System, Wealth Tax draft, Inheritance Tax draft, reducing Income Tax, canceling Sale Tax and VAT, hire/fire etc. These drafts will improve Engineering in India.