


# Jaitley 's Job: Unleash Animal Spirits

## New FM Faces Challenge Of Taming Prices, Balancing Growth With Fiscal Consolidation

<b>BOOSTER SHOT</b>		TOI had caught up with Arun Jaitley during his Lok Sabha campaign in Amritsar. Here are his views on some key challenges facing the economy
<b>ON IMMEDIATE STEPS</b>   In terms of policy approach, the signals have to be to rebuild and recreate the investment cycle. Make India an investment destination where it is easy to do business. An India where there is stability of policy and there is stability of taxation, fiscal measures		
<b>ON INTEREST RATES</b>   You can't have a competitive economy with high interest rates	<b>ON EASE OF DOING BUSINESS</b>   We will be more efficient, more honest and more business friendly. Our policies will have a greater amount of stability. India needs growth, India needs revenue, India needs jobs, India needs infrastructure, you will need social sector schemes	
<b>ON ELIMINATING CRONY CAPITALISM</b>   Eliminate discretion and do things honestly. When you do things honestly, don't be worried about what the Kejriwals of the world have to say	<b>ON LAND ACQUISITION ACT</b>   It's not so easy to amend acts immediately after their enactment. We will have to do the balancing act between land required for infrastructure for industry, and there are already some exemptions in the Act. Areas which will be more challenging are real estate and townships, and India does need a real estate boom in order to grow	
<b>ON RETROACTIVE TAXATION</b>   I am of the view that the retroactive taxation is permissible only on a limited number of cases. You use it for protecting taxes already collected. You don't ordinarily use it for creating fresh liabilities		

**Arun Jaitley** ( BCom Hons 1973 LLB 1977 ) is the man in the hot seat. After Prime Minister Narendra Modi, Jaitley 's job will be the most watched by the world as he gets down to repair the battered economy .

The lawyer-turned-politician assumed charge of the corner office at the Finance Ministry in the red sandstone building known as the North Block adjacent to the imposing Rashtrapati Bhawan at a time when reviving the economy and taming raging prices have emerged as top priorities.

For Jaitley , a former disinvestment (a department which he set up 15 years ago), law and commerce minister in the Atal Bihari Vajpayee government, ( 1999 – 2004 ) reviving investment and business confidence would be a crucial challenge.

“He is an excellent choice.

He is a seasoned politician and he has the right credentials,” HDFC chairman Deepak Parekh told TOI.

Rising bad loans pose a risk to the economy and the new finance minister will have to take steps to restore confidence in the banking system.

“In Jaitley, we have an extremely capable and wonderful choice. The finance ministry deserves a single charge. It will be quite critical for a person as capable and as virtuous as Arun Jaitley to manage two ministries,” said HSBC India chief ( DU alumna ) **Naina Lal Kidwai**.