



Modi's call for economic patriotism – rationale

The World Accepted Change — India Should Too

The backdrop to Modi's speech is a global energy emergency unlike anything since the 1973 oil crisis. Since February 2026, when US and Israeli military operations against Iran triggered the closure of the Strait of Hormuz, roughly 20 per cent of the world's oil has been disrupted — what the International Energy Agency characterised as the "largest supply disruption in the history of the global oil market." Brent crude, which traded at around \$62-70 per barrel for much of FY 2025-26, surged past \$100 almost immediately, touched a record \$166 per barrel on March 19, and has since stabilised above \$125.

Eighty-two countries have responded with emergency energy measures. Fourteen have mandated work-from-home in non-essential sectors. Eight have capped air conditioning temperatures in public buildings at 24-26°C. Six have shut schools and universities or restricted their hours. More than fifteen have introduced fuel rationing, speed limits, odd-even vehicle rules, or private vehicle curbs. Over twenty have launched national energy conservation campaigns.

The specific measures paint a stark picture of global urgency: South Korea has asked citizens to run washing machines and vacuum cleaners only on weekends. Sri Lanka declared Wednesdays a national holiday to conserve fuel. Germany reintroduced car-free Sundays. Italy mandated a minimum AC temperature of 27°C in all public buildings. France banned short domestic flights. Bangladesh ordered shopping malls to close by 7 PM. India, by contrast, has implemented no mandatory restrictions so far.

But what Modi is doing now is just 'Demand Side Management'. Any expert on energy and water will endorse this strategy.

Golden Advice

Of all Modi's appeals, the call to stop buying gold is economically significant. PM Modi's declaration — "In the national interest, we must resolve not to purchase gold for a year" is a



balance-of-payments responsibility given to 1.4 billion people.

India's gold import bill rose to nearly \$72 billion in 2025-26 — almost double the \$35 billion recorded in 2022-23. Combined with crude oil imports of approximately \$135 billion, these two commodities alone account for \$207 billion of India's annual import bill, putting persistent pressure on the current account deficit (CAD). India's CAD had already expanded to \$13.2 billion, equivalent to 1.3 per cent of GDP in the December quarter of 2025, before the full force of the oil price shock hit.

The arithmetic of restraint is compelling. Even halving gold imports from \$72 billion to \$36 billion would reduce India's current account deficit from approximately 2 per cent of GDP to 1 per cent — a reduction that would ease pressure on the rupee, lower import costs for everything from crude oil to electronics, and reduce the RBI's burden of forex intervention.

How ridiculous that opposition voices have drawn parallels to Jawaharlal Nehru and Indira Gandhi, who made similar appeals against gold buying in earlier eras. There is no comparison whatsoever. Nehru's and Indira's appeals came during periods of domestic economic mismanagement and forex crises created by their own policies, including the oil bonds burden,

which left massive unbooked debt for Modi government to clear even in peacetime. The current crisis is externally triggered — a geopolitical war has shuttered the world's most critical energy corridor. The cause is categorically different. Let that sink in.

India's Foresight

The NDA government is agile — excise duties on petrol and diesel were reduced by ₹10 per litre in March, and export duties on diesel and aviation fuel were raised to protect domestic supply. India diversified its crude sourcing to around 40 countries by March 2026 and began increasing purchases from Russia as Middle Eastern supplies grew uncertain. Domestic refineries were operating at above-rated capacity. These are supply-side interventions. Modi's appeal targets the demand side — which is where India's vulnerability rests.

India had 32.71 million outbound travellers in 2025, while foreign tourist arrivals remained at just 9.02 million — a ratio of more than three to one, representing a significant net forex outflow from tourism alone. Foreign exchange earnings from tourism reportedly declined by 6.6 per cent during the year, further widening the gap. A 25 per cent voluntary reduction in foreign holidays would not merely save forex; it would redirect spending into the domestic economy, supporting Indian tourism,

hospitality, and services sectors during a period of global uncertainty.

Work From Home: Small Office Home Office (SOHO)

Even a 5-10 per cent reduction in urban fuel consumption across India's top ten cities would translate into millions of fewer litres of imported crude burned weekly. A worker commuting roughly 30 kilometres daily through Bengaluru traffic in a petrol vehicle consumes approximately 2 to 2.5 litres of fuel per working day — amounting to nearly ₹5,000 monthly on petrol alone. MoveInSync's 2025 India on Wheels report found that Bengaluru's average one-way commute had risen from 54 minutes in 2024 to 63 minutes in 2025. These are not productivity outcomes — they are productivity losses.

Every litre burned in peak-hour urban traffic is a litre imported against a weakening rupee at \$125+ per barrel.

Modi's push for EV adoption and metro usage, urban air quality — already among the worst in the world in cities like Delhi, Mumbai, and Lucknow — would see measurable improvement. India has already surpassed its renewable energy targets ahead of schedule; integrating work-from-home (WFH) and EV adoption into the national energy story would accelerate the transition from fossil fuel import dependence toward domestic energy generation.

The Convoy Question: Leading by Example

Government convoys central and state consume fuel at a scale that is not invisible to citizens. Prime Minister has sharply reduced the size of his official convoy, days after calling for austerity measures and urging citizens to cut down on the use of fuel driven vehicles.

The downsized convoy was deployed during the Prime Minister's recent visits to Gujarat and Assam. Officials were directed to incorporate electric vehicles into his convoy wherever feasible, without making fresh purchases.

Following PM Modi's decision, the union home minister and defence minister have also taken steps to reduce

their convoy to less than half for conservative fuel use.

Chief Ministers of Uttar Pradesh, Delhi, Madhya Pradesh, Maharashtra have reduced their convoy to 50 per cent and encouraged officials to adopt work-from-home arrangements and virtual meetings wherever possible and appealed to people to increase the use of public transport, cycling and electric vehicles. All departments are directed to prioritise carpooling and public transport while reducing the number of vehicles used for official purposes.

Patriotism in Contemporary World

"Patriotism is not just about dying for the country. Living for the country and fulfilling our duties to the country is also patriotism." Modi's words were not a slogan — they were a reframing of civic responsibility for a crisis that does not announce itself with guns or missiles. The West Asia war is not India's war. But its economic consequences are landing in the Indian terrain.

A 3 percent saving on crude consumption equals \$5 billion saved — one month of war-related forex pressure eased. A 25 per cent reduction in foreign holidays equals another \$10 billion. A 15 per cent cut in gold imports equals yet another \$10 billion. Taken together, "voluntary civilian restraint" across these three categories alone could delay economy-wide fuel price hikes by approximately five months — protecting millions of Indians from a cost-of-living pain that no government subsidy could provide. This ask of Modi is not a sacrifice. It is indeed a leverage — small individual actions, multiplied by 1.4 billion people, producing macroeconomic outcomes that no single policy instrument can match.

The case for compliance with Modi's appeals is not built on patriotism alone. The benefits of such a collective national response could be transformational for our country. No Indian felt the heat so far. That's the coolest point to note.



KARUNA
GOPAL
VARTAKAVI

Lawrence Wong, Prime Minister of Singapore, instructed delegates of a conference to 'avoid business suits' and wear white shirts, they complied. This was in 2016, when Wong was the Minister for National Development focusing on urban sustainability. There was no West Asia crisis then, he was just making citizens 'responsible' for ensuring sustainability. Cut to the present, when PM Modi makes similar requests especially during the West Asian crisis there is a meltdown... Some resorted to rumours like India has ceased importing, India refused to accept LNG consignment from Russia and a major lockdown is imminent etc.

When crude oil prices surge from \$70 to over \$125 a barrel in a matter of weeks, when the world's most critical energy chokepoint goes dark, and when India's \$207 billion annual import bill in gold and oil starts bleeding foreign exchange reserves at a rate of roughly \$5 billion a month, as head of government PM Modi had two options — impose mandatory austerity or appeal to citizens' sense of duty. PM Modi chose the second option.

He made seven specific appeals: avoid buying gold for a year; postpone non-essential foreign travel and destination weddings; revive work-from-home practices; use metro rail, carpool, and electric vehicles; cut edible oil consumption by 10 per cent; reduce chemical fertiliser use by 50 per cent; and participate in virtual meetings instead of in-person ones. Critics immediately collected their ammunition of rumours, supporters called it statecraft while reality says it is responsible governance.