

## The long arc of India's journey: We still have miles to go before we sleep

Devina Mehra | 14 Aug 2024, 02:00 PM IST



In 1947, almost no one would have bet on our surviving as an united nation for 75-plus years, with a functioning democracy. **(Bettmann Archive)**

### SUMMARY

*While the strategic vision of India's freedom leaders laid a splendid foundation for our success and steered economic growth for the next several decades, we must ponder if we are worthy successors of their legacy. Among other things, we need to solve our employment problem and get innovative.*

As we celebrate Independence Day, let's look back at the distance we have traversed in 77 years.

This was India in 1947:

Life expectancy was 32 years. Literacy was 18%. Gross domestic product (GDP) growth had been sub-0.5% per annum for over 50 years.

Yes, the so-called 'Hindu rate of growth' of our early years of independence was an eight-fold increase over the growth rate in the first half of the 20th century. We had negligible capital. Because the British Raj was about building capital in Great Britain, not in India. And we had dire poverty.

We were far behind not just Europe and America, but even most of Asia. Most Asian countries, even excluding Japan, had life expectancies of close to 50 years and literacy rates several times ours.

We have come a very long way since and must always remember all those who fought for our freedom, giving up years of their life or even life itself.

Those who put a framework in place: who had the vision, strategy and ability to take a road no other post-colonial nation took.

We do not appreciate enough that the path we took was not the only one possible.

It was not inevitable, or even easy!

In 1947, almost no one would have bet on our surviving as an united nation for 75-plus years, with a functioning democracy. Our Constitution, which has lasted so long, is itself an outlier in the history of hundreds of constitutions the world has seen.

It took a tremendous amount of thinking and passion, and ultimately, as all of us in business know, execution. Our leaders back then must have prepared the blueprints while they were in jail for years.

Even a simple thing like universal adult franchise wasn't the global norm and was resisted by many even within the country.

Let alone the developing countries of Africa and South America, even Switzerland gave voting rights to women only in 1971. Canada, Australia and the US gave voting rights to their ethnic minorities only in the 1960s.

There is no parallel till date of a post-colonial nation at anywhere close to those poverty levels making a smooth transition to a liberal democracy.

Most countries fell into various forms of civil strife, some of them suffering military takeovers, and where there were charismatic leaders, they became dictators (Indonesia, for example, and later the Philippines).

And none of those nations had the added challenges that India had in terms of linguistic, cultural, religious and other forms of diversity.

I repeat, none of this was accidental. Consider just one example: Both India and Pakistan had armies which had the same origin, so why is it that Pakistan had military coups and military dictators, and we did not?

In India, there was a step-by-step multi-year process to ensure that the military remains under civilian rule.

Those who founded the country did their bit. Now it is upon us.

Let us not take what we have for granted. Two areas come to mind for focus: Job creation and technology/science/innovation.

The latter is an area where we went above and beyond in our early decades. No other country at that stage of development dreamt of investing in fields like atomic energy and space research.

My home town of Lucknow alone had half a dozen national research institutes in areas as diverse as drugs and botany to palaeo-sciences.

To me, it is an example of how visionaries think versus most of us incremental managers!

We started Indian Institutes of Technology (IITs) and Indian Institutes of Management (IIMs) in the 1950s and 1960s, when even till the 1990s almost all of Asia did not have a single management institute—a good 30 years after our IIMs.

This came as a shock to me when I started to travel to the rest of Asia. Another shock was to see how in those countries, everything on their supermarket shelves was manufactured overseas.

While we may now scream against protectionism in the early years of independence, without that policy, our domestic industry could not have been established.

For example, Verghese Kurien, the founding father of the dairy cooperative movement, fought tooth and nail to disallow any cheap dairy products into the country even as food aid.

That resulted in India becoming the world's largest milk producer. In many parts of the developing world, including neighbouring Sri Lanka, the dairy industry was killed by cheap imports.

And for my stock-market community, the insistence on local manufacturing and shareholding meant that subsidiaries of many MNCs got listed in India, creating tremendous wealth in the country, and this gave a huge fillip to the investment culture here.

Then, in the 1980s, it appeared strange to many, including myself, that a prime minister could prioritize computers and telecom in a poor nation. But that's what vision is about.

These initiatives turned out to be game changers for India, driving economic growth for the next several decades: think of the digital infrastructure we boast about and the infotech services that built India's foreign-exchange reserves and global reputation.

Most importantly, these have been our main drivers of employment, both primary and secondary, helping large parts of the population move up the socio-economic scale.

We have taken our eyes off the ball in the last few decades, though, and are getting left behind in the innovation game, while China is focused on every new area of technology, from neuroscience and biotechnology to renewables and semi-conductors.

Our demographic dividend will also dissipate if we cannot find jobs for young people, especially for women. We need to do our bit to be worthy successors to those who gave us a free nation.

Happy Independence Day! Jai Hind!