

INDIA ON THE EDGE

By

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Bombay, October 3, Bombay has been twice renamed. Officially it is now Mumbai, but because it rivals Hollywood as a producer of films – actually it produces even more -- it is jokingly called “Bollywood.” It would not be wrong, however, to think of it as India’s “Shanghai.” Like China’s Shanghai, it is the powerhouse of national development.

Fronting on a crescent-shaped bay on the edge of the Indian Ocean, the city contains all the contrasts of today’s India. Giant modern luxurious hotels tower above streets where the poor and homeless beg; elegant houses and apartment buildings command rents exceeding New York, London and Paris while a few minutes away are slums that are unmatched for squalor in the western world; on the streets bicycle-powered rickshaws jostle with the latest and most expensive European cars.

In part because of the contrasts, Bombay is a city in almost frantic movement: people are rushing everywhere, darting on foot between precariously weaving rickshaws, trudging under incredible loads, wedged into lumbering buses, hanging onto loaded trucks, or sitting serenely behind the darkened windows of limousines whose drivers desperately thread their ways through traffic jams. Gaily painted trucks beg their rivals to warn them of impending crashes with the quaint English sign “Horn Please.”

But India can no longer be dismissed by European visitors as merely “quaint.” It is rapidly reclaiming the place it had in the 18th century as one of the world’s super powers. Growing at roughly twice the world’s average – between 5.5% and nearly 8%,

depending on the monsoon rains – and with a population almost equal to China’s, India is a country of the 21st Century.

In fact, Indian industrial leaders and government officials with whom I spoke, tended to rate themselves not so much against Europe or America as against China. China, they admit has the lead today, but, many believe, India is not far behind and in some areas is catching up. The Indian population is younger so that, as China’s population ages over the coming quarter century, India will keep growing both in numbers and in productivity. Everyone admits, of course, that China began its spurt of significant growth a decade or more earlier and has been changing statistically more robustly, but, Indian officials also assert that India is now on the move and will not slacken in its pace.

While it is still heavily dependent upon agriculture, India has caught the wave of the “IT Revolution.” Information Technology has captured the imagination and energy of men and women whose fathers were peasant farmers and whose mothers rarely ventured out of their houses. While I was in the former summer retreat of India’s British rulers, Shimla, on the edge of the towering Himalayan mountain range, the local newspaper published the electrifying news that when an Englishman in London telephones to know the departure time of a train from Brighton, he will now be connected to an operator in India’s “Silicon Valley.”

Actually, British Rail is merely joining the pack: many of the world’s major insurance companies are already processing their “back office” accounts overnight in India. So closely linked are telecommunications and so inexpensive and accurate are the Indians that they find it cheaper to do so.

Here lies one of the many contrasts between India and the other colossus of Asia, China. Whereas the Chinese tend to excel in hardware, the Indians are pushing ahead in software. Almost every Indian village has an “institute” of “computer science.” Jumping beyond mere literacy, this generation is determined to acquire computer literacy and, indeed, to take the lead in developing new forms of computer software.

Not that industry is backward. Production of heavy machinery, steel goods, trucks and automobiles and processing of petroleum are all increasing too. The current rate is an astonishing 7% over last year. The most obvious inhibition to growth of industry is the relatively slow pace of growth and availability of electricity.

The inflation rate has slowed from a high of 7% to less than 4% while India’s foreign exchange reserves have increased to almost \$90 billion; so, for the first time, the Indian rupee has risen against the dollar. In contrast to what I saw in my last visit three years ago, city shops were full of expensive imported goods and even village shops were full of less expensive, often locally produced, clothing, tools and food.

The better to bring outlying areas into the orbit of the rapidly growing cities, India is currently at work on a vast network of highways. Major arteries will link the capital, Delhi, with Mumbai (Bombay), Kolkata (Calcutta), Chennai (Madras), Bangalore and other major centers while smaller roads will connect the smaller cities and towns. These roads are important not only because they will stimulate development but also because they will remove forever the terrible specter of 19th century India, famine. In the past, even when the monsoons gave parts of India a surplus of food, people in remote areas often faced starvation simply because it was impossible to move food to them. Today, that is a receding memory as India is becoming one vast market.

What that market is doing to Indian society is still not completely clear. Whereas China is centrally directed with commands from the center apparently almost effortlessly effected through the country and where the “minority peoples” (except perhaps for the Tibetans and Uighurs) have been brought smartly into line with government decrees, India remains a diffuse, complex and tradition-bound congeries of distinct societies, cultures, languages and religions. No rule by the central authority can be achieved without elaborate negotiation and, once achieved, must be filtered through a vast and lethargic bureaucracy. So while China can be commanded, India can barely even be led. To be effective, every prescription must be self-evidently beneficial. Tradition in India is, at least so far, tenaciously protected.

Preservation of tradition is evident in many ways. Perhaps the most obvious is how people dress. Unlike China, where everyone appears to have put aside the outward signs of tradition, with women trading the graceful *ch'i-p'ao*, better known in the West by its Cantonese name, *cheongsam*, for blue jeans, Indian women from the most sophisticated to the most humble grace every view with colorful saris. Perhaps the sari will give us an index of the speed of growth: to hazard a guess, I give the change from the sari to the blue jean a decade. So, if you want to see the beautiful, graceful, colorful remains of the old India, you had better hurry.

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