



Incredible India@60
Democracy, Diversity, Demographics and Development
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New York

Theme Paper

September in New York is a time of beautiful fall colors and changing seasons. It is the season when the world flocks to New York for the United Nations General Assembly. As Headquarters of the United Nations, New York has always attracted global thought-leaders and played host to diverse opinions on a single platform. This is the best place and time for India@60 to exhibit the face of a changing nation to an international and discerning galaxy of top political, business and media leaders.

India@60 draws together the various strands of three themes to present a snapshot of the new India, contemporary, vibrant, and progressive. As world leaders gather in New York for the UN General Assembly, India@60 will reach out to global audiences through lively interactive sessions spanning business, politics, media and cultural planes. It will demonstrate to the world the potential of a nation attaining maturity through an unconventional yet sustainable and stable model of development.

Six decades ago, India stood at the threshold of history, faced with seemingly insurmountable challenges, yet pulsating with the promise of great achievements. A mosaic of diversities, the nation was yet to coalesce into a coherent framework. The challenge was to bring together the raucous coalition of languages, cultures, and religions under the harmonious umbrella of one country, one system.



The founding fathers could have considered several options for this new and nascent nation. But there was never any doubt in their deliberations. India embarked decisively on the path of democracy, giving the freedom of choice to every single adult in the country, male or female, literate or illiterate, rich or poor. And the three pillars that define and support India at 60 were gradually built, brick by brick.

Over the decades, *democracy* stitched together the patchwork quilt of India into a strong fabric that has withstood the test of time, forming the central pillar of its nationhood. Yet, the country retains its essential core of different ideas, different

mores and different creeds, strengthening the second pillar of *diversity*. As the population profile of the nation changed over time, the third pillar of its identity has quietly taken shape in its *demographics*, its youthful, energetic and dynamic people.

At this period in India's evolution, the country can truly celebrate Democracy, Diversity and Demographics. Together, these three strands of India's core identity are being shaped for Development, forging India into a strong economy, an influential cultural entity, and a global leader of the future.

India@60 marks the advent of a new Brand India on to the global stage. The event will reach out to connect India to the rest of the world.

India Now

Through most of recorded history, India remained one of the richest and most significant economies in the world, a fact often forgotten today. After two centuries of colonial dominance, India is now a developing country growing at the second fastest pace among major economies, the fourth largest economy in purchasing power



terms and among the top ten most industrialized nations. It represents 2.4% of the world's land and about 16% of its population. More than half its people are below 24 years of age, at a time when workforce in major economies is shrinking.

Since decisively embracing reforms and globalization in 1991, India has restructured from a fragile and sluggish economy into a dynamic, fast-paced and secure trillion-dollar nation. The last four years have seen an average annual GDP growth rate of 8.6 per cent, underpinned by an investment to GDP ratio of over 35 per cent. The industrial and services sectors comprise more than 80 per cent of the national income, and are the twin engines of growth. Macroeconomic fundamentals are robust and impart stability to the growth process.

India's burgeoning economic might is matched by its cultural ascendancy. Building on ancient traditions, Indian healing in the form of ayurveda, and mind-body balance through yoga, have rejuvenated to align with modern lifestyles and are becoming increasingly valued as alternative therapies. Bollywood is the closest competitor to Hollywood for global audiences, the largest in terms of number of movies produced annually. Its foot-tapping hip-swinging music and dance are heard all over the world,

while its movie stars are household names in many countries. Classical music and dance, rooted in age-old scriptures, are gaining in popularity even as fusion and modern styles reverberate in households across continents. Brand India today is truly reshaping to attract global mindspace.

In the comity of nations, India has carved out a valuable role for itself on several fronts. It is one of the five strategic partners of the EU, with regular interaction at the highest political level. It is rapidly forging strategic alliances with major Asian



economies for trade and investment. It has entered into partnerships with different countries to engage more closely and deeply across multiple domains.

With USA, a new horizon is emerging in a matrix of deeper interactions, including trade and investment, science and technology, defense, agriculture, and others. The closer relationship of two large democracies is an outcome of the people-to-people and business-to-business relationship that is rapidly evolving.

The challenges to India's development are still many. But India has at its disposal better tools to overcome them.

Democracy

Over 14 general elections and hundreds of state elections, India's democratic traditions have become incontrovertibly entrenched in its national psyche over the past six decades. At sixty, democracy in India represents the triumph of the masses over autocratic governance. It is secular, liberal and truly representative, granting freedom of political choice its 650 million voters.

Elections are held within stipulated periods, under the watchful eye of the independent Election Commission and keenly followed by the media and the voters. More often than not, governments at the central and state levels have found themselves unceremoniously voted out of power if they failed to match people's expectations. More than 200 national and regional political parties are active in the country, expressing a range of opinions essential to meet the aspirations of a cross-section of society - including different religions, incomes and social status.



Along with democracy, democratic institutions have a powerful role to play in the country. The media is a vociferous and proactive sentinel, relaying events and opinions through hundreds of news channels and thousands of newspapers in a multitude of languages. The judiciary maintains a close guard over interpretations of Fundamental Rights enshrined in the Constitutions of India, and ensures human rights and environmental protection. The Right to Information Act allows citizens to question administrative and procedural issues.

India is living proof that being poor need not preclude a nation from adhering to democratic norms and striving for development.

Diversity

The most striking feature of India is its vast diversity – of people, of landscapes, of cuisines, of cultures. Bounded by the highest mountain range in the world, the Himalayas, in the north, and the Indian Ocean in the south, the Indian subcontinent has evolved over centuries into a multi-dimensional ethos.

The country has 18 official languages, each with roots in Sanskrit, and each with its own rich literature. While Hinduism is religion for 80% of the people, it too has many strands. Islam was introduced to India by 8th century Arab traders and Turkish armies, and today India has the second largest population of Muslims in the world. India was home to one of religion's most enduring and beloved figures, Lord Buddha, and always a pilgrimage destination for Buddhists from all over the world. Sikhism, Jainism, and Christianity are some of the other religions prominent in the country. These diverse beliefs have each added to the rich compendium of India's art and architecture, music and dance, crafts and cuisines.



Cultural traditions over the country are also variegated into rainbow hues. Classical dance forms of Bharatnatyam and Kuchipudi prevail in southern India, while Kathak is popular in the north and Manipuri in the east. Folk arts span a range of regional styles. Most interestingly, there is a vast array of cuisines present across the country, and it is said that each household has its own particular mix of spices.

Such a rich heritage of traditions can only add to the process of India's economic development. It imparts an understanding and tolerance of differences, and makes the nation flexible and attuned to various viewpoints, an unparalleled plus in the multi-cultural era of globalisation.

And despite internal heterogeneity, a new India has taken shape in the workplace, the factories and the schools. Students sit side by side imbibing the same learnings. When a factory starts its operations at the beginning of a new workday, its workers are committed to doing their best, irrespective of their social groupings. Unity in diversity has long been India's defining clarion call.

The modern India of fast-paced growth takes diversity in its stride and moulds it to its advantage in the global context.

Demographics

India's median age is 24, and 75% of its population is below 35 years of age. By 2010, the country will have added 71 million people to its working age population of 691 million in 2005. Japan will have lost 3 million from its workforce by that time and Europe will register no growth. India's burgeoning human capital is bound to have positive implications for global manufacturing.



Increasing population coupled with rapid growth has led to the faster entry of millions of people into the consuming middle classes. It is estimated that by 2025, India will have the fifth-largest consumer market in the world, going up by a factor of four from the level of 2005. Such rising consumerism can only have beneficial impact on the global economy.

Besides impacting global production and consumption, India's young population will be a driver of the emerging knowledge economy. Already, 3 million youngsters graduate from its universities each year, while its engineers and managers are gaining global attention. India has the third largest scientific and technical manpower in the world.

India's expanding knowledge frontiers are reflected in its performance on the Global Innovation Index at 23, the highest of all BRIC countries. Sectors such as Information Technology, biotechnology, design and engineering are among the

fastest-growing of the economy. Several top companies such as Dell and Microsoft have their largest development centers outside the USA in India.

As the future global knowledge economy takes shape, India's evolving demographics will impart a key role to the country in its development.

Development

India at 60 has seen significant changes in its development indices. The average Indian born now can expect to live to the age of 68.5 as compared to just over 32 years at Independence. Two-thirds of Indians are now able to read and write, when



in 1947 only 16% were literate. Poverty has declined significantly and per capita income has gone up by six times.

India's reform process has helped build a robust and competitive industrial sector, powered by dynamic companies and a vibrant base of entrepreneurship. Increased globalization and growing corporate cash reserves have fuelled unprecedented consolidation by Indian companies, and encouraged acquisitions overseas.

Sectors such as retail, aviation and telecommunications are among the fastest-growing in the world. Some 5-7 million new phone connections are being added every month, while orders have been placed for 400 new airplanes to carry the expected 400 million air passengers in 2020. The country is the tenth largest exporter of services, and is emerging as a competitive research and development hub for the world.

Development plans are on the fast track. Road projects worth \$24 billion are in the pipeline, and the government has committed to initiating 100,000 MW of power projects by 2012. An ambitious plan for rural India worth \$40 billion is underway to bring villages to the formal marketplace. Public private partnerships are the order of the day to build infrastructure for the new India.

Outward orientation is the most recent facet of India's new economy. Trade in goods and services amounts to \$450 billion, while FDI inflow has touched a high of \$19 billion in 2006-07, a high proportion in the manufacturing sector. India's foreign exchange reserves are close to \$230 billion, a cushion against global financial

shocks. Today, Indian corporates are the largest investors in the United Kingdom and have cumulatively brought \$2.1 billion into the American economy.



Yet India needs to make significant progress to improve human development indicators. It ranks 126 in the HDI, and over 35% of the population still lives on less than a dollar a day in purchasing power terms. While it has made tremendous strides in universal enrolment in schools, half the children under four years of age remain underweight.

As India forges new alliances with the world, it will not only be better equipped to tackle its development issues, but also act as a pole of global stability, peace and security. Its march towards development, its advantages of democracy, its understanding of diversity, and its demographic profile arm it with useful levers in emerging global equations.

India at 60 has truly evolved into a responsible, decisive and dependable player in the global arena. There is no better place and time to profile this emergent nation than New York, the Headquarters of the United Nations, in the last week of September during the course of the United Nations General Assembly.

India@60 re-brands and repositions India in the global pantheon of nations.
