

What Indian Voters Must Demand Now

Ramtanu Maitra, recently returned from New Delhi, outlines three priorities for whatever new national government takes power.

Maybe in another six months, India's 600-plus million voters will be asked to exercise their franchise to usher in the next government in New Delhi. Like the highly fragmented political parties, the Indian electorate, heavily dominated by the rural poor, is uncertain for whom to vote.

The uncertainty is due to the fact that while it can't be denied that the Indian economy is no longer the old economy moving at a glacier's speed, but is now creating wealth at a rapid pace, the new economy has now been designed to favor the educated, skilled, and semi-skilled. The rural poor, a massive majority, have become little more than eyesores and headaches to money-worshipping policymakers.

However, the poor still have the power to vote out any political leadership whose plans do not include a long-term comprehensive program to remove the poverty of the millions through government-guided efforts. Hence, India's poor will commit a grave mistake if they do not confront India's political leaders, demanding not only economic betterment for themselves, but for the generations to come.

Over the last ten years or so, Indian political leaders have committed three principal crimes against the vast Indian majority, and all three crimes have adversely affected those at the bottom of the income pyramid, and have helped, to a certain extent, the thin creamy-layer on top. The beneficiaries of the new-fangled national economy are those who speak English and have enough money to educate their children.

The crimes were: 1) privatization of higher education, making it out of reach of the poor and a large section of the middle class; 2) promising, but not delivering, to hundreds of millions of poor, a modicum of rural infrastructure, such as power, safe drinking water, health care, and education; and 3) presiding over the planned destruction of India's vital agricultural sector.

It is time the Indian electorate demands an end to these criminal activities.

Education for a Privileged Few

One of the strongest "selling" points of India to the economic globalizers and liberalizers is that Indians can speak English—at least a large number of them can. There is no question that a vast number of call centers outsourced by the Western corporations so they could "remain competitive" by availing themselves of cheap labor, were located in India. A few thousands of Indian youth have thus been employed earn-

ing a wage little more than they could have earned as white-collar clerks. These youth get these jobs because they can speak English.

The existing system of education in India was borrowed wholly from colonial Britain, and was set in place in 1935 based on minutes written down by Thomas Babbington Macaulay, who had died in 1859. The British, naturally, had an objective in setting up the system the way it is; this was explained by Macaulay, a former British politician who was employed by the East India Company to see that the native Indians "adopt English as the medium of instruction in higher education, from the sixth year of schooling onwards, rather than Sanskrit or Arabic then used in the institutions supported by the East India Company...."

The objective of the colonial model, as Macaulay pointed out, was that "we must at present do our best to form a class who may be interpreters between us and the millions we govern, a class of persons, Indian in blood, but English in tastes, opinions, in morals and in intellect...." It is evident that the objective of Macaulay's successors now is to strengthen the same class, as the "interpreters between the outsourcers and the outsourced."

But the presence of these English-speaking youth is more of an aberration than the norm. At a conference at the Istanbul Technical University in Turkey (July 2-7, 2007), two Indian scholars, Dr. Deepa Rawat and Dr. S.S.S. Chauhan, presented some eye-opening facts about the poor state of education in India:

- Just 200 million children enter primary school (out of 250-275 million); 33 million enter secondary school; and 10 million go to college, finally churning out 3 million college graduates every year (Ravi Krishnan, 2006). This means that just one out of 66 students entering primary school goes on to graduate from college.
- Nearly 10 million students pass their intermediate examination (at the end of secondary school) every year, and out of these, only 8 million are fortunate enough to gain admission to a college or university.
- India has one of the world's lowest public rates of expenditure on higher education per student, at \$406 (Government of India, 2005).
- The share of higher education in total planned resources has declined continuously since the Fourth Five-Year Plan (1969-74).



Students view an exhibition in Madurai, in the state of Tamil Nadu. Only one out of 66 students entering primary school goes on to graduate from college.

- India ranks as low as 81st in the world, in proportion of public expenditure on education to GDP.

Some of the foreign investors who seem interested in investing in India have already expressed concern over the dwindling availability of skilled manpower. At the annual World Economic Forum at Davos, Switzerland in January 2006, Indian Finance Minister P. Chidambaram said that the private sector will be brought in, in a big way, to resolve this problem. Planning Commission Deputy Chairman Montek Singh Ahluwalia added that a new policy on beefing up the education sector was expected to be finalized soon by the Knowledge Commission, set up at the initiative of the Prime Minister.

In other words, New Delhi is quite aware that English-speaking skilled manpower is dwindling fast, and that foreign investors, who are worshipped by the present Indian political leaders, are worried. But what can New Delhi do?

Having committed itself to an economic reform in which government revenue will not be spent on such “worthless” subjects as education, both the Bharatiya Janata Party (BJP) and the Congress party leaders tell the poor that private investment in higher education is the only solution.

However, privatization of education during the last decade witnessed the appearance of thousands of private colleges and institutes offering Information Technology (IT) courses all across the country by the late 1990s. Many of these institutions disappeared in less than a decade, with devastating consequences for the students and teachers who

depended on them for their careers. This situation is now repeating itself in management, biotechnology, bioinformatics, and other emerging areas.

According to an Indian analyst, N. Raghuram, in the run-up to the economic reforms in 1991, the International Monetary Fund and the World Bank started accusing India of undermining primary and secondary education by funding higher education. However, the fact remains that education was already privatized, to the extent that public schools became an option only to those who could not afford the private schools that were mushrooming on every street corner of Indian cities.

This situation reached its extreme recently in the new state of Chattisgarh, where over 150 private universities and colleges came into being within a couple of years, until the scam involved with these was exposed by public interest litigation, and the courts ordered the state government in 2004 to remove credentials from, and close most of these universities, or merge them with the remaining recognized ones.

Besides a deterioration of quality, the privatization brought into the education sector investors who look at the colleges as a pure money-making opportunity. In most of the newly founded higher education centers—engineering, medical, business management, and so forth—the cost of education has been raised to the point that it becomes close to impossible for the middle class, let alone the poor.

In addition, Chidambaram’s private investors have continued extracting from the students what are known as capitation fees. Capitation fees are illegal, but are nonetheless rampant all across the country. In some cases, such as engineering, such capitation fees could be as high as 500,000 rupees (\$12,000), all paid in cash and under the table. The sum is simply impossible for the poor to cough up, and is even becoming beyond the reach of the middle class.

As a result of bringing money-sucking private entrepreneurs into the higher education system, and washing the government’s hands of responsibility for education in the process, the Indian political leaders have made higher education out of bounds for the poor and the middle class.

Infrastructure for the Cities Only

The second demand of the Indian electorate prior to the general elections, should be development of rural infrastructure. Although the vast majority of Indians live in the countryside, whatever inadequate infrastructural investments were made, were in the huge, haphazardly grown metropolises such as Delhi, Mumbai, and a few others. The reason is not to make them look like Potemkin Villages—as has been

done in China—but because the cities are where the educated population resides, and the purpose of providing infrastructure is to generate cash for the investors who are utilizing that tiny educated class.

While there is nothing wrong with developing infrastructure to generate wealth, by putting the infrastructural development money exclusively in the cities, India has kept the vast rural areas grossly short of power, and short of safe drinking water, faster railroads, and educational and health-care centers. As a result, millions of unskilled rural workers move into urban areas to avail themselves of whatever little that they can get out of the infrastructural development process in the cities. This unscheduled influx of many from the rural areas further collapses the already decrepit infrastructure of the cities.

India's infrastructure development during the last ten years is a cruel joke. India needs investment to the tune of at least a trillion dollars across the entire country, in the areas of power, water, and railroads alone, to make the country ready for steady growth. Instead of investing heavily to build up the country, Prime Minister Manmohan Singh keeps on saying that India's infrastructure development will be carried out through foreign investment. He even trudged to Washington to "invite" American investors to put their money into upgrading India's infrastructure, so that the investors can benefit from India's cheap workforce. Americans listened, but have stayed away.

The Indian electorate must remind Singh when he goes to seek their votes next time, that the infrastructure development of India is not the responsibility of the United States, or any other country, or any private investor. It is the responsibility of the Indian leaders who are in power. Infrastructure is the foundation on which economic development is based.

The poverty of Indian infrastructure is there for all to see and experience. To begin with, the electrical power situation is despicable. New Delhi keeps on saying that India's power shortage is close to 15%, but, in reality, it is much more. If rural India were allowed to have a continuous power supply, power demand in India would go up multifold, and the shortage would be close to 40%.

Supply of safe drinking water to rural India has remained a virtual dream. More than 25% of the rural population (about 200 million) does not have access to safe drinking water. In fact, a large number of people even in the major cities, do not have safe drinking water.

The Run-Down Agricultural Sector

Finally, the rebuilding of India's agricultural sector should be a centerpiece of the electorate's demand in the coming elections. This sector, over the last decade, has registered less than an average of 2% growth per annum, whereas the rest of the economy has reached a double-digit figure. Even within the agriculture sector, whatever little growth becomes visible is because of the increase in the

growth of allied sectors—horticulture, fisheries, poultry, and dairy. On the other hand, agriculture which provides staples is stagnating, and the area for production of cereals is actually declining, while the disparity in wages, incomes, and capital formation between the urban and the rural sectors is increasing.

As a result of this overall neglect in the areas where almost 60% of India's workforce is engaged, the contribution of agriculture to the country's Gross Domestic Product has also been declining steadily for the past 30 years. In 1970, the agricultural sector represented almost half of GDP; in 2006, the number sank to 20%.

Consequently, how much damage has been done to the rural population in recent years? In the words of economist Utsa Patnaik in 2005: "According to National Sample Survey (NSS) data, five years ago more than one-third of the rural population of three states had a daily intake of less than 1,800 calories. Today, according to the latest NSS figures, eight states fall in this category. Half our rural population, or 350 million people, are below the average food energy intake of sub-Saharan Africa." The eight states include the southern states of Andhra Pradesh and Karnataka; western states of Maharashtra, Gujarat; and West Bengal in the east.

Although New Delhi expresses "shock" from time to time whenever such evidences emerge in the public domain, and reports of farmers' suicides appear in local newspapers, the Singh government is well aware of the dire situation in the rural areas. Drought, low crop prices, poor infrastructure, poor access to credit, and lack of employment plague rural India. In 2004, the ruling Bharatiya Janata Party lost to the Congress party, because the BJP's "India Shining" campaign was accused of neglecting the concerns of the rural population.

Prime Minister Singh has made reforming the agricultural sector a priority—verbally, at least—and has called for "inclusive growth." Some even have urged the government and Indian scientists to launch a second Green Revolution. However, progress in the agricultural sector is virtually non-existent. Government attempts to improve irrigation in rural areas have met with almost zero results. Subsidies meant to encourage farmers to dig wells, install drip irrigation, and connect to the electrical grid have benefitted only a small number of farmers and have failed to reach the neediest.

Last May, at the 53rd meeting of the National Development Council, which Prime Minister Singh chaired the entire day, a consensus was reached. It said that India's agricultural sector, where at least 60% of the country's workforce is engaged, is suffering from a "technology fatigue" for lack of breakthroughs in production. The Prime Minister made the observation that farming in India has become unviable, and "till we make farming viable, it would be impossible to reduce rural poverty and distress."