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INDIA AND ITS
CONTRADICTIONS

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‘A stinging indictment of India’s unequal boom . . . the book amounts to a charge-sheet. It castigates a lopsided Indian miracle that has led to “islands of California in a sea of sub-Saharan Africa”’

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What makes this such an engaging book is that it is a deeply sympathetic and, for that very reason, a deeply critical evaluation of contemporary India. The book’s combination of economics, politics, history, and law makes it a fascinating read’

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‘Powerfully argued and empirically solid . . . *An Uncertain Glory* is a book that needed to be written and readers will be grateful to the two authors for presenting the facts and their interpretation with an enviable lucidity that is totally free of jargon’

Rudrangshu Mukherjee, *Telegraph* (Kolkata)

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JEAN DRÈZE AND
AMARTYA SEN

An Uncertain Glory
India and Its Contradictions
Second Edition



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Introduction to the Second Edition

Six years may not seem like a long time in the life of a country. Yet much has happened in India since 2013, when the first edition of this book was published. Much has failed to happen, too. This new Introduction assesses where India stands today; this second edition also accommodates a fuller statistical picture of the country in the form of an up-to-date Statistical Appendix, which presents comparative information about a changing India – in a global setting. Both pay particular attention to the persistent inequalities that make India the problematic country it is.

In the first edition of the book we argued that India's development strategy is fundamentally flawed – that it overlooks the central role of human capabilities, both as valuable in themselves and as means of further progress. That basic deficiency has not been removed over these years. Some gains have been made, and some new – and serious – problems have also emerged, but the basic neglect of the transformative role of empowered human beings in economic and social progress remains.

Economic growth in India has certainly picked up over time. For many years now, India has been one of the fastest-growing large economies in the world. However, the pace of improvement of living conditions remains very slow. One reflection of this is that India has poor social indicators, not only in comparison with (say) China, but also in comparison with its south Asian neighbours, including some like Bangladesh and Nepal that are much poorer than India in terms of per-capita GDP.

These problems, noted in the first edition, survive today. During the last six years, India's GDP has continued to grow at an impressive rate, but there is little evidence of a correspondingly fast improve-

ment in people's living standards. To note one disturbing indication of this contrast, real wages in rural areas, corrected for price changes, have more or less stagnated in recent years, accentuating a pattern of disparate economic progress observed earlier in the first edition of this book. As will be discussed presently, there has also been little progress in the provision of essential facilities and services such as elementary education, health care and social security. The lives of the Indian poor remain extremely harsh, all the more so when economic deprivation is compounded by social inequalities such as those of caste, gender and class. It is doubtful that many communities anywhere in the world are as deprived of elementary wellbeing, security and dignity as India's most disadvantaged communities (for instance, the Musahars of Bihar or the Sahariyas of Madhya Pradesh).

Our diagnosis, presented in the first edition, was not just a pointer to the abysmal extent of human deprivation and social inequality in India. It also included a constructive argument about the possibility of doing much more to remove these deprivations and inequalities, and the urgency of doing so. This, alas, has not occurred. To bring about radical changes in public policy and social norms, much better use must be made of the vast possibilities offered by democratic practice in India.

The constructive role of the state, and more broadly of public action, in enhancing the quality of life has been one of the recurring themes of our jointly written books, starting with *Hunger and Public Action* in 1989. There is plenty of empirical evidence from around the world, as well as from India itself, that well-functioning public services can make a big difference to the quality of life of all. The need for public intervention in fields such as education, health, social security, environmental protection, public transport, economic redistribution and many others is also clear from economic theory. India cannot dispense with these requirements of successful development.

Against this, it is often argued that the standards of governance in India are so low that even in fields like health and education, it is best to look for market-based solutions such as school vouchers and private health insurance. Standards of governance, however, are not immutable and the domain of public action includes their establishment and maintenance. Indeed, the fight against corruption and for accountability in public life is an increasingly vibrant field of demo-

cratic engagement in India. These movements have already led to some big achievements, such as pioneering legislation for the right to information, and we hope there will be significantly more such departures before long.

The comparative experiences of different Indian states are particularly helpful in recognizing the scope for change. Until recently, the only Indian state with a strong record of public action to enhance the quality of life was Kerala. There was much scepticism that this approach would be possible in other states, and Kerala's achievements were attributed to its distinct history and culture. But today we also have other examples, including those of Tamil Nadu and Himachal Pradesh, which have to a great extent successfully followed in Kerala's footsteps. We are now beginning to see limited but significant achievements in other states as well – achievements that were simply not thought possible ten or twenty years ago and challenge the view that nothing can change.

The problem is not that things cannot change, or that they do not change. It is that we are not making them change fast enough, even as the rest of the world is on the move. While China, Brazil, Mexico, Thailand, Vietnam, Sri Lanka and other countries have shown the possibility of decisive progress towards universal health care, India is still learning how to ensure that primary health centres are open during work hours and have adequate stocks of aspirin or iron tablets. But to claim that India is fundamentally incapable of the same achievements would be as false – and counter-productive – as to say that Indian children are bound to remain stunted because they have a lower genetic potential (for stature) than other children.

Having said this, we should discuss some changes – positive and negative – that have taken place in recent years, or had been happening even earlier (without being clear from the evidence available when we were writing the first edition of the book).

SIGNS OF CHANGE

The general lethargy of social policy in India has found further expression, in recent years, in a dearth of social statistics. For example, at the time of writing the first edition of this book which came out in 2013,

we were often constrained to rely on the third National Family Health Survey (NFHS-3), carried out in 2005–6, for basic health and nutrition indicators. The fourth round of the NFHS did not happen until 2015–16, a full ten years after the third round. In Bangladesh, by contrast, the Demographic and Health Survey (international equivalent of NFHS) has happened at regular intervals of three years or so since the early 1990s. The updated Statistical Appendix in this new edition makes extensive use of NFHS-4, along with the latest available version of other national and international statistical sources.

The release of NFHS-4 data, and just before that, of the findings of the Rapid Survey on Children (2013–14), point to an important pattern, anticipated to some extent in the first edition of this book: a modest but noticeable acceleration in the progress of social indicators in the ten-year period that followed NFHS-3. To illustrate, the proportion of stunted or underweight children declined significantly during that period, at least compared with the glacial improvement of earlier periods. Similarly, there was faster progress in youth literacy rates, in child mortality rates and in maternal mortality.*

Progress was, to be sure, not spectacular, but it was still significant compared with the sluggish improvements that preceded it. This advance received some attention in the Global Multidimensional Poverty Index report, prepared by the Oxford Poverty and Human Development Initiative (OPHI) in 2018. According to the estimates presented in this report, the proportion of India's population living in multidimensional poverty declined by nearly 50 per cent between 2005–6 and 2015–16.

It has also been observed that areas of relatively rapid progress have tended to be those where significant initiatives have been taken. Child vaccination is one example. Chapters 3 and 6 of this book discuss India's abysmal record in this field, and the extraordinary inertia behind it. But we also noted some signs of significantly positive change, notably with the mobilization of frontline health workers, the Accredited Social Health Activists (ASHAs). The NFHS-4 findings point to significant progress on this front, with the proportion of children fully immunized jumping by about 30 percentage points between 2005–6 and 2015–16 in many of the lagging states – Bihar, Jharkhand,

* See Sinha (2015), Narayan (2016), Drèze (2017), among others.

Uttar Pradesh, Rajasthan among others. There is still plenty of work to do: child immunization rates remain much lower in India than in Bangladesh.* But at least India is beginning to look more like Bangladesh in this respect than like sub-Saharan Africa.

One reason why this is worth mentioning is that there has been a tendency in recent years to denigrate the achievements of the initiatives in that period and to grumble about wasteful spending on social programmes such as midday meals, the National Rural Employment Guarantee Act (NREGA), the public distribution system and the Integrated Child Development Services (ICDS). This is an oddly biased assessment, and the evidence actually suggests that things were moving in the right direction. Rapid economic growth has of course helped, partly by raising private incomes and partly by generating public revenue. But the social initiatives of this period also deserve considerable credit. Indeed, many of these social programmes have had positive results. For instance, India's midday meal scheme has well-documented effects on school attendance, child nutrition and even pupil achievements. Social security pensions, meagre as they are, bring some relief in the harsh lives of millions of widowed, elderly or disabled persons. The public distribution system has become an invaluable source of economic security for poor households, not just in forward states like Tamil Nadu but even in problematic states like Jharkhand where it used to be largely non-functional. Of course, there is some waste in the social sector, just as there is much waste elsewhere. The lesson is not to dismantle the system but to improve it – and there is plenty of evidence that this can be done.†

THE INDIAN ENIGMA

Despite some accelerated progress in the decade preceding NFHS-4, India's social indicators in 2015–16 were still far from flattering. In

* See UNICEF (2017), Table 3. Child immunization rates vary between 93 and 99 per cent in Bangladesh, depending on the vaccine; the corresponding range in India is 76–91 per cent.

† For further discussion, see Drèze and Khera (2017), and the literature cited there.

fact, many of them were still worse than those of India's south Asian neighbours (Bangladesh, Bhutan, Nepal, Sri Lanka), with the partial exception of Pakistan. To illustrate, only Pakistan now has a lower life expectancy, higher child mortality rate and higher fertility rate. In terms of sanitation and child nutrition, India fares worse than all these neighbouring countries. Female literacy rates in the younger age groups are also lower in India than in all other south Asian countries except Pakistan and Nepal. Perhaps the gap is narrowing over time, but it is still there.

This is puzzling, considering that India's per-capita GDP is almost twice as high as that of Bangladesh and three times as high as Nepal's.* We discussed this puzzle in the first edition of the book (especially in chapter 3, unchanged in this edition), but a little more can be said today in the light of recent research. Briefly, there is growing evidence that India's poor social indicators, relative to neighbouring countries with lower per-capita GDP, are closely connected with various forms of economic and social inequality.

Some aspects of that connection have already been explored in the first edition of this book (for instance, the role of extreme gender inequality in stifling social progress in India), but others are clearer today than they were then. Consider, for instance, child mortality rates in India and Bangladesh. On average, they are a little higher in India. In the top wealth quintile, however, they are *lower* in India than in Bangladesh, and the opposite applies in the bottom wealth quintile. In other words, the relatively high mortality rate of Indian children reflects a huge mortality disadvantage of poor children vis-à-vis rich children (with mortality rates of 75 and 25 per 1,000 live births, respectively, in the 0–5 age group). A similar point, it appears, applies to pupil achievements in primary schools: well-off Indian children are doing just as well as (if not better than) well-off Bangladeshi children, but India has much larger educational disparities between the rich and the poor.†

* See Statistical Appendix, Table A.1, where further information on social indicators in South Asian countries is also presented.

† See Narayan (2018). The mortality patterns are based on NFHS and DHS data for India and Bangladesh respectively. The findings on pupil achievements are based on the author's own survey data for a sample of villages, and await corroboration from larger datasets.

Another example is that of sanitation. As discussed in this book, this is a field where India has lagged behind not only south Asia but most of the rest of the world as well. Why so? One partial answer relates to gender inequality: Indian women are the first victims of inadequate sanitation, but they have little voice and power within the household. Of course, this may be true in many other countries as well. India, however, also has special problems related to the caste system. It is the caste system, and its obsession with purity and pollution, that creates a phobia of human waste in Indian society, where the ‘dirty’ job of emptying latrine pits is left to specific castes of manual scavengers. Naturally, Dalits are now reluctant to do this, and no-one else is willing either. During the last few years, the two-pit latrine design, which makes the task of removing human waste relatively simple and harmless, has gained wide acceptance. Despite the government’s claims, however, open defecation is still very common in India.*

It is not surprising that class, caste and gender inequalities have played an important role in preventing India from becoming a social development leader in south Asia. This connection reinforces the need to recognize the extreme nature of social inequality in India, discussed in this book. Few countries have such an oppressive social system.

RECENT DEVELOPMENTS

Since the fourth round of the NFHS, the dearth of social statistics in India has turned into a veritable famine. At the time of writing (July 2019), very few reliable social indicators are available beyond 2016. Valuable data, from the Rapid Survey on Children and the Socio-Economic and Caste Census to a recent report of the National Sample Survey Office, have been repeatedly tweaked, suppressed or delayed when they did not suit the government. The standards of ‘pro-active disclosure’ (mandatory under Section 4 of the Right to Information Act) in official websites have sharply declined – broken links, administrative logins, outdated information all seem to conspire to keep citizens in the dark. Official poverty estimates, deemed superfluous by

* On this, see Coffey and Spears (2017, 2018).

some of the government's economic advisors, have not been released since 2011–12. Even the official GDP estimates, which show continued rapid growth at about 7 per cent per year, have come under suspicion.*

All this makes it difficult to get a clear view of what is happening today. For example, we know little about the exact economic and social consequences of Prime Minister Narendra Modi's startling experiment with 'demonetization' in November 2016, when 86 per cent of India's currency – in value terms – became worthless overnight. We do know that people suffered a great deal in the weeks and months that followed – queuing at the bank, losing jobs, selling crops severely under-priced, or returning home without being paid for their hard work as migrant labourers. But whether this was a short-lived crisis or a lasting blow to the Indian economy is hard to determine, as things stand. Much of the damage happened in the informal sector, where the statistical system is not geared to precise measurement of change.

If the outcomes of the Modi government's policies are unclear, it is still worth trying to understand the nature of these policies, particularly in the social sector. As mentioned earlier, when the Modi government came to office in 2014, it was under some pressure (notably from the business media) to roll back social programmes, alleged to be excessive. Initially at least, the new government did move quite fast in that direction. For instance, there was an unprecedented crash in NREGA employment in 2015–16, driven by stringent financial caps. The 2015–16 Union Budget also involved deep cuts in allocations for a range of social programmes. True, these could be partly justified on the grounds that the states were receiving a higher share of the divisible pool of taxes. But the cuts went further, and the axe fell particularly heavily on children, with initial cuts of around 36 per cent and 50 per cent for midday meals and the Integrated Child Development Services (ICDS) respectively. This was so mind-boggling that

* A few months ago, 108 eminent economists released a joint statement warning that statistical estimates and institutions were 'being influenced and indeed even controlled by political considerations' (see 'Economic Statistics in a Shambles', *Economic and Political Weekly*, 16 March).

the government's own minister for women and child development, Maneka Gandhi, criticised the cuts in public, mentioning *inter alia* that they had made salary payments a 'month to month suspense'. The cuts were partly reversed later on, but meanwhile they had done much damage and sent a disastrous signal down the line.*

Over time, a perceptible change occurred in the orientation of social policy under the Modi government. The country's flagship social programmes (for instance NREGA, midday meals and ICDS) were retained, but without enthusiasm. Attempts to roll them back proved unpopular, so they were not abandoned, but nor did the central government invest in them significantly, either in financial or institutional terms. Instead, the Modi government focused largely on infrastructure, including subsidised housing, toilets, and cooking gas. Some of these initiatives had positive results (for instance, a reduction in exposure to indoor pollution), but they went hand in hand with a resilient lack of interest in fundamental matters of education, health and social security.

INERTIA ON ESSENTIALS

On education, there was no initiative of any real significance under the first Modi government. Five years have been spent waiting for the New Education Policy, which is yet to materialize (though a draft was finally released earlier this year). Meanwhile, it is business as usual.

The Indian public is perhaps insufficiently aware of the pathological nature of the country's frail and fragmented education system. According to UNESCO data, the proportion of children studying in private schools at the primary level is just 12 per cent in the world as a whole.† Among those who study in private schools, many are enrolled in non-profit educational institutions run by NGOs, churches,

* For further discussion, see Prasad, Sinha, Sengupta and Shukla (2017).

† Calculated from UNESCO (2015), Table 5; this is a population-weighted average for 151 countries – not including India – for which data are available, using school-age population as weight (the reference year is 2012). The same table gives a 'median' figure of 9 per cent for the world as a whole – 5 and 13 per cent for developed and developing countries respectively. Some of the figures for individual countries are also

trade unions and other civic organizations. In India, by contrast, the proportion of children studying in private schools is around 35 per cent and rising, and the bulk of private-school enrolment is accounted by profit-oriented schools. As elementary education turns into a market commodity, and quality depends on ability to pay (if parents are able to assess quality at all), the schooling system reproduces the social inequalities it is meant to reduce. Even within the government sector, there are enormous variations in the quality of education facilities, of highly divergent standards, with the worst being normally reserved for the poorest families and communities. Every year millions of underprivileged children, who have much the same abilities and potential as other children, see themselves condemned to a life of harsh labour as they leave the schooling system without the most basic educational skills. None of this, however, seems to be a subject of concern or even of serious discussion in the parliament, the media, the courts or other public forums.

HEALTH CARE

Similar pathologies apply to India's health system – one of the most privatized, unregulated, inequitable and inefficient in the world. Around 2005, the United Progressive Alliance (UPA) government appeared to wake up to this situation and a feeble attempt was made to address it with the launch of the National Rural Health Mission (NRHM) along with a promise to raise public expenditure on health from the measly 1 per cent of GDP to 2 or even 3 per cent. The Mission, however, fell way short of expectations and public expenditure on health continued to hover around 1 per cent of GDP.*

From 2014 onwards, under the Modi government, years went by with hollow promises – of 'universal health care', of health being made 'a fundamental right', of a 'national health assurance mission',

interesting, e.g. China (6 per cent), Sri Lanka (3 per cent), South Korea (2 per cent), Japan (1 per cent), Russia (0.7 per cent), Netherlands (0.3 per cent).

* According to *World Development Indicators*, Table 2.12 (online, accessed 17 July 2019), it was still around one per cent in 2016 (the latest year for which health expenditure figures are presented in WDI). On the fate of the NRHM, see Rao (2017).

of a ‘right to health act’, just to cite some of the pledges made in successive Budget speeches and other official documents. In the end, this boiled down to a very modest scheme of health insurance in the restricted form of ‘hospitalization insurance’, introduced in 2018 – Pradhan Mantri Jan Arogya Yojana (PMJAY). The launch of PMJAY followed a familiar pattern: an old scheme was tweaked, renamed after the Prime Minister, and projected as a grand initiative. Indeed, PMJAY is largely a reincarnation of the Rashtriya Swasthya Bima Yojana (RSBY), with some digital frills and a padded budget – Rs 2,000 crore in 2018–19, compared with Rs 1,000 crore for RSBY the previous year. Under this new garb, PMJAY was declared ‘the world’s largest government-funded health care programme’ (this is not even remotely true, but that was what was claimed in the Finance Minister’s Budget Speech on 1 February 2018).

In 2019–20, the PMJAY budget has risen to Rs 6,400 crore. That takes the scheme to a different plane from RSBY, but it is still barely 0.03 per cent of India’s GDP. In per-capita terms, Rs 6,400 crore amounts to just Rs 128 per person (about half of the cost of an X-ray) for the population of 50 crore intended to be covered under PMJAY. An illusion is sometimes created that putting this money in an insurance premium has some sort of multiplier effect, but that is not the case at all. Insurance can help to redistribute health expenditure towards those who need it most, but it cannot turn Rs 128 into more. If the government spends only Rs 128 per person on health insurance, that’s the amount of health care an average person gets (assuming that there are no transaction costs or wasteful expenses).

PMJAY’s inadequacy can be appreciated by comparing its budget with the cost of similar programmes in other countries that have serious health insurance schemes. Thailand’s experience is particularly instructive, because Thailand’s per-capita GDP around 2001, when the country launched its Universal Coverage Scheme, was not much higher than India’s per-capita GDP today.* Thailand’s UCS provides health insurance – not restricted to hospitalization – to about 75 per cent of

* In PPP terms (constant 2011 international \$), Thailand’s per-capita GDP in 2002 was about 40 per cent higher than India’s in 2017 – *World Development Indicators*, on line.

the population. The system is tax-financed and backed by a National Health Security Act. The annual cost was estimated at 2,693 baht per capita in 2011 – about Rs 4,000 at the 2011 exchange rate. That's more than 30 times the current PMJAY budget in India, in per-capita terms. Serious health care requires serious money.

Further, a hospitalization insurance scheme is unlikely to achieve much unless the infrastructure of public health centres is radically expanded. Failing that, people will rush to hospitals and milk the insurance cow whenever they are sick, instead of seeking primary care at their local health centre. Here again, there is much to learn from Thailand, where the UCS goes hand in hand with a well-developed network of public health centres. India is far behind in this respect.

Turning to social security, the story is much the same – no major social security initiatives have been launched in recent years and saving money has been the priority. To illustrate, the central government's contribution to social security pensions for the elderly, widows and disabled persons have stagnated at a measly Rs 200 per person since 2006, despite repeated appeals for more. Similarly, NREGA wages have been held constant in real terms for many years, sapping rural workers' interest in the programme. Chronic problems of delayed, rejected or diverted wage payments have further diminished the contribution of NREGA to economic security for the rural poor.*

A particularly telling example of inertia is the denial of maternity benefits. Under the National Food Security Act 2013, all Indian women (except those already receiving maternity benefits as formal-sector employees) are entitled to maternity benefits of Rs 6,000 per child. Some states, notably Tamil Nadu and Odisha, have run successful maternity benefit schemes for many years, reinforcing the argument for a national initiative in this respect. The Modi government, however, ignored this feature of the NFSA until 2017, when a national maternity benefit scheme – the Pradhan Mantri Matru Vandana Yojana (PMMVY) – was finally launched. PMMVY, however, is a half-baked scheme with limited coverage (restricted to 'the first living child'), reduced benefits (Rs 5,000 per child), and forbidding formal-

* For further discussion, see e.g. Drèze (2018) and Narayanan, Dhorajiwala and Golani (2019). On the denial of maternity entitlements, see Drèze (2019).

ties. In its eagerness to save money, the government not only violated the Act but also ruined the scheme itself. An opportunity has been missed to ensure a modicum of relief to millions of women who go through the ordeal of pregnancy and delivery without nutritious food, health care or adequate rest.

THE RETREAT OF DEMOCRACY

The distortions of public policy in India are alas not confined to the chronic neglect of health, education and social security. This neglect is part of a larger problem of lack of attention to the needs, demands and rights of the underprivileged. It is not that the underprivileged are entirely unheard and powerless – if nothing else, they have their votes, and the fact is that social policy initiatives have often happened in the context of electoral politics. But most of the time, the poor are excluded from democratic politics, and public policy is largely driven by privileged interests. The dismal picture outlined above is part of the result.

The prospects for altering this state of affairs depend a great deal on adding to the vitality of democratic institutions. In this respect, there are reasons for deep concern today. When we wrote this book seven years ago, the foundations of political democracy in India looked fairly sound, if rather conservative and unresponsive. However, more recently democratic institutions have turned out to be much more fragile than they seemed.

A prime example of this ominous trend is the steady erosion of the freedom of expression. The government is actively promoting a dangerous notion of good citizenship, aligned to blind obedience to the state. Criticism of the government is increasingly seen as ‘anti-national’, and discouraged in every possible way. Anyone who speaks out against the government is at risk of being harassed in one way or another: NGOs may lose their FCRA, media agencies may be deprived of advertisement revenue, political leaders risk a tax raid, and poor people can simply be beaten up or lynched. Even mild criticisms of the government on social media can lead to sedition charges. These tactics have huge ‘chilling effects’, with more and more

citizens and institutions being anxious not to get on the wrong side of the government.

The effective muzzling of the mainstream media is a particularly worrying aspect of these anti-democratic tendencies. Many Indian newspapers, television channels and news agencies have not only abdicated their critical function but have turned into veritable parrots – sometimes even cheerleaders – for the government. Social media are harder to control, but even there dissenting voices are being stifled by trolls, fake news, and routine arrests of people who post comments deemed anti-national or subversive – in the perspective of the ruling government.*

Media ‘management’ is only one aspect of recent restrictions on the freedom of expression in India. Public criticism of all sorts has also been defused in various ways, sometimes by the government and sometimes by its self-appointed *chowkidars* (guards). Among recent tactics deployed for this purpose is the branding of dissenters as ‘urban Naxals’ (indicating urban Maoists). This is a very insidious label, considering that suspected Maoists in India can easily be imprisoned – or even shot by right-wing vigilantes. It was initially used with reference to an alleged Maoist network in urban areas, helping to justify a wave of arbitrary arrests in mid-2018. Later on, the label was extended to a long list of dissenting voices, including many eminent citizens (scholars, journalists, actors, lawyers, editors, judges and others) who are not particularly left-leaning and have an impeccable record of commitment to democratic practice. Absurdity keeps stretching further as the list gets longer.

These are some of the most obvious aspects of the retreat of democracy in India at this time, but there are many others, including intensified state surveillance, growing state control of all institutions, quiet harassment of opposition leaders and a pervasive devaluation of rationality and the scientific spirit. There is, of course, resistance to these authoritarian tendencies, but the forces of governmental dominance are extremely strong.

* For a useful review of these muzzling and propaganda tactics, and how they have altered India’s media landscape in the last few years, see Ninan (2019) and the series of reports cited there; also Kumar (2018), Singh (2019), and Varadarajan (2019), among others.

The danger of these authoritarian tendencies needs to be seen in the context of a related trend – the growth of Hindu nationalism. The Bharatiya Janata Party (BJP), which at the time of writing leads the Indian government with a large majority in the Lok Sabha, has a symbiotic relationship with the Rashtriya Swayamsevak Sangh (RSS), a mass organization committed to Hindu nationalism. The ideology of Hindu nationalism was expounded with powerful advocacy by V.D. Savarkar, almost a hundred years ago, in his classic *Essentials of Hindutva*, and its basic tenets are substantially similar over the decades. Among the central claims is the idea that India belongs to the ‘Hindus’, broadly defined in cultural rather than strictly religious terms (contingently allowing the inclusion also of Sikhs, Buddhists and Jains, but not Muslims and Christians). The ultimate goal of Hindutva is to turn India into a ‘Hindu *rashtra*’ – a Hindu nation. The proposed status of Muslims and Christians in this Hindu *rashtra* is not completely clear, but judging from the writings of Hindutva ideologues such as Savarkar and M.S. Golwalkar they are essentially expected to adopt ‘Hindu culture’ or resign themselves to some sort of second-class status.*

These ideas, needless to say, are highly flammable and discriminatory against large sections of the Indian population – and also wholly antithetical to the foundational idea of India as a multicultural nation committed to secularism. The arguments that were advanced to support them (e.g. by Savarkar and Golwalkar) involved extraordinary departures from rational thinking, common sense and empirical knowledge. For example, consider Golwalkar’s argument that all Hindus belong to one race, the Aryan race. Golwalkar did not have to contend, at that time, with the considerable scientific evidence we have against that argument today, but he did grapple with an alleged discovery that Aryans came from somewhere north of India, in fact

* ‘At the outset we must bear in mind that so far as “nation” is concerned, all those, who fall outside the five-fold limits of that idea [one country, one race, one religion, one culture, one language], can have no place in the national life, unless they abandon their differences, adopt the religion, culture and language of the Nation and completely merge themselves in the National Race. So long, however, as they maintain their racial, religious and cultural differences, they cannot but be only foreigners, who may be either friendly or inimical to the Nation.’ (Golwalkar, 1939, pp. 45–46).

near the North Pole. He dealt with this claim by arguing that the North Pole itself used to be located in India:

‘... the North Pole is not stationary and quite long ago it was in that part of the world, which. . . is called Bihar and Orissa at the present; . . . then it moved northeast and then by a sometimes westerly, sometimes northward movement, it came to its present position. . . we were all along here and the Arctic Zone left us and moved away northwards in its zigzag march.’*

Golwalkar did not explain how the Aryans managed to stay in place during this ‘zigzag march’ of the North Pole. His claim that all Hindus share not only one race but also ‘one language’ was equally confused and patently wrong.

The spread of these and other eccentric ideas of Hindu nationalism would be amusing if it were not so dangerous. The wave of ‘cow vigilantism’ in the last few years can be seen as a practical application of these ideas. Cow protection is a symbol of Hindu culture (or rather, of Hindu culture as seen by the votaries of Hindu nationalism), which is now being imposed on all communities. Shouts of ‘Jai Shri Ram’, another contrived symbol of Hindu culture, resonate as the victims are beaten up or lynched. In many instances the perpetrators of these crimes have been protected by the government even as the victims were being persecuted.

The sinister effects of these political movements are gathering momentum. As we write, two million Indian residents (including a large number of Muslims) have been excluded from the National Register of Citizens in Assam, and risk being sent to detention camps or even deported. The problem of illegal immigrants in Assam is certainly not a simple one, but this crisis has provided an opening for Hindu nationalists to demand a similar weeding out of ‘suspected foreigners’ across the country. If the proposed Citizenship Amendment Bill is passed, non-Muslim migrants from neighbouring countries will be eligible for Indian citizenship even as Muslim residents of India who are unable to prove their citizenship are exposed to possible exclusion. Large sections of Indian Muslims increasingly live in

* Golwalkar (1939), p. 8.

fear and are beginning to experience the second-class status that Hindu nationalism seeks to impose on them.

The retreat of democracy and the rise of Hindu nationalism could easily feed on each other and hurl the country further away from the constitutional ideals of liberty, equality and solidarity – distant as they are in the first place. Democratic institutions in India have been in danger before (e.g. during the Emergency, in 1975–77) and came back strong. Quite likely, they will survive again, but if Indian democracy is to flourish and not merely to survive, resisting and reversing recent authoritarian trends must be the beginning of a long journey.

ON FACTS AND FIGURES

As mentioned earlier, the second edition of this book features a new Introduction and an updated Statistical Appendix. The text of the first edition, published in 2013, has been retained without change – recent developments were briefly discussed in this Introduction, and the larger appraisal of India's development experience remains fully relevant today.

The new Statistical Appendix puts together the latest figures that could be obtained. From time to time, this edition refers to the Statistical Appendix of the first edition, e.g. as the source of some of the figures presented in the text or tables. Unless stated otherwise, however, 'Statistical Appendix' refers to the updated version. We are most grateful to Saloni Chopra for her able assistance with the compilation and analysis of statistical data.

Occasionally, the reader may notice a minor difference between what is stated in the text and what can be found in the new Statistical Appendix. For instance, on p. 226 it is stated that 'women's share of all seats in the Lok Sabha has never been higher than 10 per cent or so (the highest share so far was 10.9 per cent, in 2009)'. As Table A.3 (Part 14) of the updated Statistical Appendix indicates, however, women's share of Lok Sabha seats rose to 14 per cent in 2019. These minor tensions are of little consequence. In this case, the point being made is that women's representation in the Lok Sabha has remained

very low over the years, and that applies even at the slightly higher level of 14 per cent in 2019.

Overall, India's social indicators as they emerge from the updated Statistical Appendix are a little less dismal than they were earlier, but the progress has been modest. As it happens, in some fields (e.g. access to sanitation and electricity), there has been some further progress in recent years, which is yet to be reflected in the organized statistics. The possibility of change is not in doubt, yet India's failure to bring about radical change in fundamental realms of human living is as glaring as ever. That big story unfortunately remains as true today as it was six years ago.

Introduction to the First Edition

This book goes to press at a time of considerable stir in Indian society and politics. There are many discussions and debates about the country's policy priorities, involving a great diversity of participants and viewpoints. Lively arguments and agitations have also developed around a wide range of issues that had been neglected for a long time, such as corruption, administrative failure, capital punishment, violence against women and democratic reforms. There are also spirited arguments about India's economic achievements and failures.

This abundance of questioning and arguing, facilitated by a vibrant media and robust democratic institutions, can be a great strength for the country. It is compromised, however, by a powerful bias in public discussions towards focusing mainly on the lives and concerns of the relatively privileged, including not only the very privileged but also others who are not right at the top but are certainly much more privileged – in affluence, education, health care, cultural opportunities and social standing – than the bulk of the Indian people. The issues that affect the lives, and even survival, of those who have been comprehensively left behind tend to receive remarkably little attention.

It is a very positive development that violence against women has, at last, become a big political issue in India, starting with the public outrage that followed a horrific incident of gang-rape in December 2012. The debate around this issue has drawn attention to many aspects of gender discrimination (including, but not only, the callous attitude of the police towards complaints of sexual violence), which had been grossly neglected for a long time. But it is also worth noting that the protests, which were hugely overdue and have become strongly – and appropriately – vocal, could be sparked off by an incident

that involved a victim (a medical student) with whom the Indian middle classes could easily identify. Similar brutalities have happened in the lives of economically and socially downtrodden Dalit women for years, without getting much attention in the mainstream media or causing a significant public outcry.

To take another example (which we will discuss more fully later), consider the occasion when half the country suffered suddenly from a gigantic power failure on 30–31 July 2012, and 600 million people had no electricity. The country was rightly inflamed about the inefficiency of administrative arrangements in India. The failure of responsibility and accountability was certainly enormous, and India has good reason to ask how this problem can be urgently addressed and eliminated. What was not, however, much discussed at all was the fact that 200 million of those 600 million without electricity had never had any electricity at all, since these non-affluent people were not – and had never been – connected to power.

Issues of economic development in India have to be seen in the larger context of the demands of democracy and social justice. During the last twenty years, the Indian economy has done very well in terms of the growth of GDP (about 6 per cent per year in real terms in the 1990s, rising to more than 7 per cent in the last decade). India became the second fastest-growing large economy over the last two decades, next only to China. For a low-income economy which had been mired in near-stagnation through centuries of colonial rule and which made slow progress in the decades following independence, this is surely a major achievement. As discussed in the book, there is an urgent need for paying more attention to the environmental damage that has accompanied this rapid growth, but India's new economic dynamism makes it possible to pursue more responsible environmental policies along with reasonably high rates of growth.

However, the achievement of high growth – even high levels of *sustainable* growth – must ultimately be judged in terms of the impact of that economic growth on the lives and freedoms of the people. Over this period of rapid growth, while some people, particularly among the privileged classes, have done very well, many more continue to lead unnecessarily deprived and precarious lives. It is not that their living conditions have not improved at all, but the pace of improvement

has been very slow for the bulk of the people, and for some there has been remarkably little change. While India has climbed rapidly up the ladder of economic growth rates, it has fallen relatively behind in the scale of social indicators of living standards, even compared with many countries India has been overtaking in terms of economic growth. For example, over the last two decades India has expanded its lead over Bangladesh in terms of average income (it is now about twice as rich in income per capita as Bangladesh), and yet in terms of many typical indicators of living standards (other than income per head), Bangladesh not only does better than India, it has a considerable lead over it (just as India had, two decades ago, a substantial lead over Bangladesh in the same indicators). The history of world development offers few other examples, if any, of an economy growing so fast for so long with such limited results in terms of reducing human deprivations.

A huge part of the current discontent in the Indian media has been concerned with the bad news that India's rate of GDP growth has slipped over the last couple of years. The fact that India's high growth rate has fallen certainly deserves serious attention, even though such slowing has happened in the same period across the world (including in China, and also in Brazil, South Korea and elsewhere), and even though India's new GDP growth rate of 5 or 6 per cent per year still places it among the world's fastest-growing economies. The concern is important because economic growth can certainly help to improve people's lives (not only by raising per capita incomes but also by generating public revenue that can be used for purposes of social advancement of the people), and also because a deeper analysis of the relation between economic growth and social progress is seriously overdue in India. What is remarkable is not the media's interest in growth rates, but its near-silence about the fact that the growth process is so biased, making the country look more and more like islands of California in a sea of sub-Saharan Africa.

In earlier works, we have argued that development is best seen in terms of an expansion of people's basic freedoms, or human capabilities. In this perspective, we have to recognize the importance of the two-way relationship between economic growth and the expansion of human capability, while also keeping in mind the basic understanding that the expansion of human freedom and capabilities is the goal for

which the growth of GDP, among other factors, serves as important means. Growth generates resources with which public and private efforts can be systematically mobilized to expand education, health care, nutrition, social facilities, and other essentials of fuller and freer human life for all. And the expansion of human capability, in turn, allows a faster expansion of resources and production, on which economic growth ultimately depends.

This two-way relationship has been a central feature of the so-called ‘Asian economic development’, beginning with Japan immediately after the Meiji restoration, extending gradually to South Korea, Taiwan, Thailand and elsewhere, and ultimately making China the world leader both in raising economic growth and in expanding human capability. Those who dream about India becoming an economic superpower, even with its huge proportion of undernourished children, lack of systematic health care, extremely deficient school education, and half the homes without toilets (forcing half of all Indians to practise open defecation), have to reconsider not only the reach of their understanding of the mutual relationship between growth and development, but also their appreciation of the demands of social justice, which is integrally linked with the expansion of human freedoms.

This book is to a great extent about how to make effective use of the understanding of these interdependences, on which the progress of living standards and well-being, and ultimately also economic growth, depend. If that empirical connection motivates one part of our analysis, its bearing on social justice in India is the central motivation for writing this book. Of course, a great deal more than economic growth is involved in the pursuit of a less deprived and less unjust India. We go into the various ‘social connections’ as well as the more economic ones in some detail. For example, there is much evidence to suggest that Bangladesh’s rapid progress in living standards has been greatly helped by the agency of women, and particularly the fact that girls have been rapidly educated and women have been widely involved – much more than in India – in the expansion of basic education, health care, family planning and other public services as well as being a bigger part of the industrial labour force. Experiences of other countries, and indeed from particular regions within India as

well, offer similar lessons. Given the extent and forms of gender disparity in India, there is an urgent need to focus not only on what can be done for Indian women (important as it is), but also on what Indian women can do for India – helping to make it a very different country.

Well-functioning public services, especially (but not only) in fields such as education and health, are also critical in fostering participatory growth as well as in ensuring that growth leads to rapid improvements in people's living conditions. Some Indian states (such as Kerala, Himachal Pradesh and Tamil Nadu) have done reasonably well in this respect, reaping as they have sown, and there have also been positive, if partial, initiatives in some other states in the recent past. Nevertheless, the general state of public services in India remains absolutely dismal, and the country's health and education systems in particular have been severely messed up. While the privileged are able to take refuge in private arrangements (expensive as they tend to be), the rest are deprived of essential facilities that ought to be available to all as a matter of right. Aside from diminishing the country's prospects for participatory growth and broad-based development, India's highly privatized and compartmentalized health and education systems (with very different opportunities for different social groups) also perpetuate social disparities – instead of reducing them, in contrast with what health and education systems as well as other forms of public support have tended to do around the world. Beyond the specific – and very important – cases of health and education, India also faces larger issues of accountability in the public sector as a whole. The future of the country depends a great deal on more effective democratic engagement with these momentous issues.

An overarching theme of this book is the necessity for the lives, needs, rights and demands of underprivileged people to command greater attention in public discussion and policy making, and in democratic politics. Indian democracy is seriously compromised by the extent and form of social inequality in India, particularly since democracy stands not just for electoral politics and civil liberties but also for an equitable distribution of power. While some aspects of social inequality in India have diminished in the recent past, new imbalances have developed, including heightened economic inequality

and the growth of corporate power. Nevertheless, it would be a mistake to think that privileged interests are bound to override and overwhelm all attempts at sharing power more equitably.

Indeed, even in this compromised state, Indian democracy offers significant opportunities for popular movements to flourish and resist the concentration of power and the neglect of the interests of the deprived. We have discussed ways and means of expanding the reach of public reasoning (through discussion as well as agitation), and of urgently addressing the needs of the underprivileged. The book is, thus, contingently optimistic, even though the investigation of what India has so far failed to do has to be an integral part of this forward-looking approach.

The empirical material used in the book, though cited in the respective chapters, is also presented separately in the Statistical Appendix, where reasonably detailed information on development in India as a whole and in India's major states can be found. We hope that the broad-based statistics included in this Appendix will also be useful for purposes other than those for which we have drawn on them.

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Jean Drèze and Amartya Sen
Santiniketan, 15 February 2013

I

A New India?

‘O, how this spring of love resembleth/The uncertain glory of an April day,’ says Proteus in *The Two Gentlemen of Verona*. The recent achievements of modern, democratic India are not inconsiderable, and have been widely recognized across the globe over the last decade or more. India’s record in pioneering democratic governance in the non-Western world is a widely acknowledged accomplishment, as is its basic success in maintaining a secular state, despite the challenges arising from its thoroughly multi-religious population and the hugely problematic history of violence around the ending days of the Raj. To this can be added the achievement of rapid economic growth in the last decade, when India became the second fastest-growing large economy in the world.

And yet – despite these great achievements – if the much talked-about glory of today’s India is deeply uncertain, it is not because an unblemished sunny day stands in danger of being ruined by a freshly arriving shower, as was feared by Proteus of Verona. The uncertainty arises, rather, from the fact that together with the sunshine, there are dark clouds and drenching showers already on the scene. It is important and urgent that we try to evaluate both the achievements and the failures that characterize India today. To what extent have India’s old problems been eradicated? What remains to be done? And are there new problems that India has to address?

In historical perspective, the accomplishments are large indeed, especially in light of what the country was at the time of independence in 1947. India emerged then from an oppressive colonial rule, enforced by dogged imperial rulers; there was little devolution of real power until the British actually left, and it was not unnatural at that

time to doubt India's capacity to run a functioning democracy. A second challenge was to avoid the danger of chaos and conflict, or even a violent break-up of the country. There is a long history – stretching over thousands of years – of cultural affinities across India, and the struggle for independence generated a great deal of popular unity. And yet the diversities and divisions within India – of many languages, religions, ethnicities – gave sceptics good reason to worry about the possible break-up of the country in the absence of authoritarian rule. More immediately, the chaotic partitioning of pre-independent India into two countries – India and Pakistan – gave justified cause for anxiety about whether further violent splintering might occur.

Supplementing and in some ways overshadowing all these concerns, the poverty of India was perhaps the most well-known fact about the country – with little children in Europe and America being asked by their parents not to leave food on their plates because of the moral necessity to 'think of the starving Indians'. And indeed, in 1943, just four years before colonial rule ended, India did actually have a gigantic famine in which between 2 and 3 million people died.

India had not always been a symbol of poverty and hunger – far from it – and we shall turn, in the next chapter, to the question of how the country became so poor. What is not in doubt is that the economy of British India was remarkably stagnant, and that living conditions around the time of independence were appalling for a large proportion of the Indian population, and not just in famine years.*

* An investigation of world-wide health and anthropometric data, recently completed, brings out just how appalling the nutritional and physical conditions were in India at the time the colonial Raj came to an end in 1947: 'It is possible that the deprivation in childhood of Indians born around mid-century was as severe as any large group in history, all the way back to the Neolithic Revolution and the hunter-gatherers that preceded them. Life expectancy in India in 1931 was 27, also reflecting extreme deprivation . . . death and deprivation kept the population in check, but even for the survivors, the conditions of life were terrible.' See Angus Deaton (forthcoming), *The Great Escape and the Origins of Inequality*, Chapter 4.

ACHIEVEMENTS AND OPPORTUNITIES

Despite that grim beginning, newly independent India rapidly went on to have a cluster of significant political and economic successes. Its bold decision to go straight from centuries of colonial rule to resolutely democratic government, without a pause, has proved to be sound and sustainable. In India as in other democratic countries around the world, democracy in the full sense of the term (that of ‘government of the people, by the people, for the people’) has not been achieved, and there remain many gaps to fill in Indian democracy.¹ Nevertheless, after more than sixty years of largely successful democratic governance, India has earned its status as a leading democratic country. The army has not moved to take over civilian affairs as has happened in many newly independent countries in the world – not least in South Asia. The country has also shown quite powerfully how democracy can flourish despite a multitude of languages, religions and ethnicities. There are, it must be noted, confined departures from democratic norms, for example in the use of military power ordered by the civilian government at the centre to quell discontent at the periphery (on which more later), and there is need for change there – and not just on the periphery. But taking everything together, there are good reasons for seeing a major accomplishment in the broad success of secular democracy in India. Also, the relatively healthy state – overall – of democratic institutions in the country provides significant opportunities for reasoned solutions to the problems that remain as well as for further extending the reach and quality of democratic practice.

On the economic front, even though the growth of the Indian economy was quite slow – about 3.5 per cent annually – for several decades after independence, this slow growth was nevertheless a very large step forward compared with the near-zero growth (and at times even economic decline) that occurred in the colonial days. This prolonged economic stagnation ended as soon as the country became independent. However, to reverse a zero-growth performance can hardly be adequate, and there is much to discuss about the real as well as imagined reasons for the forces that held India back for decades after

independence. Happily, things have changed in that respect as well over the recent decades, and India has now been able to establish a new position as one of the fastest-growing economies in the world. Table 1.1 presents a summary picture of the growth of the gross domestic product (GDP), from the colonial time to now.

Table 1.1
Growth Rates of India's GDP at Constant Prices
(% per year)

	GDP	Per capita GDP
<i>Colonial period</i>		
1900-1 to 1946-7	0.9	0.1
<i>Early post-independence period</i>		
1950-1 to 1960-1	3.7	1.8
1960-1 to 1970-1	3.4	1.2
1970-1 to 1980-1	3.4	1.2
<i>Recent decades</i>		
1980-1 to 1990-1	5.2	3.0
1990-1 to 2000-1	5.9	4.0
2000-1 to 2010-11	7.6	6.0

Sources: Sivasubramonian (2000) and Government of India (2012a); for details, see Chapter 2, Table 2.1.

There has been some slackening of the growth rate of the Indian economy very recently – partly related to the global slump (there has been a similar slowing in China as well, though from a higher base). India is still – even with its diminished growth rate below 6 per cent per year – one of the fastest-growing economies in the world. While that bit of reality check is useful, it is also important to consider the policy changes that could make India's growth performance perk up more. The country's growth potential remains strong and robust and it can be a major source of strength for India – particularly if the fruits of economic growth are well utilized for the advancement of human lives and the development of human freedom and capabilities (a subject on which there will be much to say as the book proceeds). We shall take up the 'growth story of India' more fully in the next chapter.

After two hundred years of colonial domination, combined with almost total economic stagnation, the economy seems well set to remedy the country's notorious and unenviable condition of poverty. The fact that there has also been, at the same time, maintenance and consolidation of democracy in one of the poorest countries in the world, makes India's achievements particularly noteworthy. India has also established itself as an innovative centre of some significant departures in the world economy, not just in the application of information technology and related activities, but also – no less significantly – as the great supplier of inexpensive but reliable modern medicine for the poor of the world. As the *New York Times* put it in a recent editorial, since 'India is the world's largest supplier of generic medicines', in the pharmaceutical field, 'its policies potentially affect billions of people around the world'.²

Along with economic progress, there has also been significant social change. Life expectancy in India today (about 66 years) is more than twice what it was in 1951 (32 years); infant mortality is about one fourth of what it used to be (44 per thousand live births today as opposed to 180 or so in 1951); and the female literacy rate has gone up from 9 per cent to 65 per cent. There have certainly been major improvements in the miserable levels of social indicators that prevailed at the time of India's independence (see Table 1.2).³ All this is in contrast with the predictions of doom, gloom and famine that were often made about India in the 1950s and 1960s. It is also a substantial political achievement that many of the leaders of democratic politics have tended to come from neglected groups – women, minorities and disadvantaged castes. As we will discuss, enormous inequalities remain, and many divisions have not diminished at all, but the fact that some significant changes have occurred even in the political arena of hierarchy must be a reason to believe that more – *much* more – should be possible. B. R. Ambedkar, the champion of the socially and economically discriminated (who did not shy away from challenging the Indian nationalist leaders for their absence of engagement with 'economic and social democracy'), insisted that we have reason to pursue, rather than lose faith in, the power to 'educate, agitate and organize'.⁴ Since India's political democracy allows plenty of room for that engagement, its absence or its timidity cannot be blamed on any prohibition imposed by 'the system'.

Table 1.2
India: Then and Now

	1951	2011
Gross domestic product (GDP) at constant prices (1951=100)	100	1,766
Per capita net national product at constant prices (1950=1=100)	100	511
Estimated life expectancy at birth (years)	32	66
Estimated infant mortality rate (per 1,000 live births)	≈ 180	44
Total fertility rate (children per woman)	5.9	2.4
Literacy rate ^a (%)		
Female	9	65
Male	27	82
Estimated proportion (%) of the population below the poverty line ^b		
Rural	47	22 ^c
Urban	35	20 ^c
Proportion (%) of households owning:		
Bicycle	≈ 0.4	46 ^d
Radio	≈ 0.9	27 ^d
Sewing machine	≈ 0.1	19 ^d

^a Age 5 years and above for 1951, 7 years and above for 2011.

^b Based on national poverty lines applicable prior to Tendulkar Committee Report (Rs 49 and Rs 57 per person per month at 1973-4 prices in rural and urban areas, respectively).

^c 2004-5.

^d 2007-8.

Source: See Statistical Appendix (first edition), Table A.5, updated in this edition. The fertility rate estimate for 1951 (strictly speaking, 1950-5) is from the United Nations Population Division (2011). In the last row, the 2007-8 figures are from the International Institute for Population Sciences (2010a), Table 2.8, and the 1951 figures are estimated from census data presented in Vaidyanathan (1983), Table 13.3.

In this context we have reason to rejoice in the massive expansion of a free media that has taken place since independence. We shall argue, as the book progresses, that there are nevertheless huge failings of the Indian media, but these limitations do not arise from governmental censorship nor from the absence of a sufficiently large network of print or oral or visual journalism. India can be proud of its huge circulation of newspapers (the largest in the world), and a vast and lively stream of radio and television coverage, presenting – among other things – many different analyses of ongoing politics (many of them round the clock). This is surely something of a triumph of democratic opportunity – at one level – that adds much force to the working of other democratic institutions, including free, multi-party elections.

The failings of the media, which we will discuss presently, concern a lack of serious involvement in the diagnosis of significant injustices and inefficiencies in the economic and social lives of people; and also the absence of high-quality journalism, with some honourable exceptions, about what could enhance the deprived and constrained lives of many – often most – people in the country, even as the media presents a glittering picture of the privileged and the successful. There is surely a need for political and social change here, which we will discuss (particularly in Chapters 7–9). By enriching the content of the coverage and analyses of news, the Indian media could certainly be turned into a major asset in the pursuit of justice, equity, and efficiency in democratic India.

AN UNFINISHED AGENDA

The record of India's achievements is not easy to dismiss, but is that the whole story? An agreeable picture of a country in a rapid march forward towards development with justice would definitely not be a comprehensive, or even a balanced, account of what has been actually happening: indeed far from it. There are many major shortcomings and breakdowns – some of them gigantic – even though privileged groups, and especially the celebratory media, are often inclined to overlook them. We also have to recognize with clarity that the neglect – or minimizing – of these problems in public reasoning is

tremendously costly, since democratic rectification depends crucially on public understanding and widespread discussion of the serious problems that have to be addressed.

Since India's recent record of fast economic growth is often celebrated, with good reason, it is extremely important to point to the fact that the societal reach of economic progress in India has been remarkably limited. It is not only that the income distribution has been getting more unequal in recent years (a characteristic that India shares with China), but also that the rapid rise in real wages in China from which the working classes have benefited greatly is not matched at all by India's relatively stagnant real wages. No less importantly, the public revenue generated by rapid economic growth has not been used to expand the social and physical infrastructure in a determined and well-planned way (in this India is left far behind by China). There is also a continued lack of essential social services (from schooling and health care to the provision of safe water and drainage) for a huge part of the population. As we will presently discuss, while India has been overtaking other countries in the progress of its real income, it has been overtaken in terms of social indicators by many of these countries, even within the region of South Asia itself (we go into this question more fully in Chapter 3, 'India in Comparative Perspective').

To point to just one contrast, even though India has significantly caught up with China in terms of GDP growth, its progress has been very much slower than China's in indicators such as longevity, literacy, child undernourishment and maternal mortality. In South Asia itself, the much poorer economy of Bangladesh has caught up with and overtaken India in terms of many social indicators (including life expectancy, immunization of children, infant mortality, child undernourishment and girls' schooling). Even Nepal has been catching up, to the extent that it now has many social indicators similar to India's, in spite of its per capita GDP being just about one third. Whereas twenty years ago India generally had the second-best social indicators among the six South Asian countries (India, Pakistan, Bangladesh, Sri Lanka, Nepal and Bhutan), it now looks second worst (ahead only of problem-ridden Pakistan). India has been climbing up the ladder of per capita income while slipping down the slope of social indicators.

Given the objectives of development and equity that India championed as it fought for independence, there is surely a huge failure here. It is not only that the new income generated by economic growth has been very unequally shared, but also that the resources newly created have not been utilized adequately to relieve the gigantic social deprivations of the underdogs of society. Democratic pressures, as we will discuss in later chapters, have gone in other directions rather than rectifying the major injustices that characterize contemporary India. There is work to be done both in making good use of the fruits of economic growth to enhance the living conditions of the people and in reducing the massive inequalities that characterize India's economy and society. Maintaining – and if possible increasing – the pace of economic growth will have to be only one part of a larger – much larger – commitment.

POWER AND INFRASTRUCTURE

If the continuation of huge disparities in the lives of Indians from different backgrounds is one large problem on which much more public discussion – and political engagement – are needed, a far-reaching failure in governance and organization is surely another. Indians face this problem, in one form or another, every day, even if global awareness of the extent of this systemic failure comes only intermittently, as when on 30–31 July 2012 a power blackout temporarily obliterated electricity from half of the country, wreaking havoc with the lives of 600 million people. Intolerable organizational chaos joined hands with terrible inequality: a third of those 600 million never have any electricity anyway (an illustration of the inequality that characterizes modern India), whereas two-thirds lost power without any warning (an example of the country's disorganization).

There is a gigantic inadequacy in the running of the power sector in India, of which the blackout was an obvious manifestation. Persistent power failures (or 'load shedding', the name given to 'organizing' the failures rather than curing them) occur day in, day out, in a great many places across the country, without getting much notice outside the community of sufferers, for whom they are not any less important

than the gigantic blackout of 2012 that drew the attention of the world. And, as noted, nearly a third of the population of India is not connected with electricity at all – compared with a mere 1 per cent in China.⁵

The dismal state of the power sector is only one part of the serious failure in India to address the need for good physical infrastructure. Similar deficiencies can be seen in water supply, drainage, garbage disposal, public transport, and in a number of other fields. In general, the physical as well as social infrastructure of the country is in a mess, and no great solution seems to be waiting to be implemented (we take up this question more fully in Chapter 4, ‘Accountability and Corruption’). The contrast with China in this respect too could not be sharper. These days India seems to be full of invocations that the country should follow China and get rid of the problems associated with poor infrastructure (and there is indeed so much to learn from China), but while this advice rings everywhere, the advisors often imagine and portray a China that does not, in fact, exist. For example, it is often argued that the Indian government should get out of the power sector altogether, allegedly as the Chinese government has done, and then India too can ‘privatize and flourish!’ Private enterprise can, in fact, play a useful role in the generation, transmission and distribution of power (especially when competition exists), but that does require coordination and involvement by the state, taking into account the fact that there may be little – or no – money to be made from some of the tasks that the power sector has to perform (such as establishing connections in remote areas at heavy cost).

More immediately, leaving the power sector to private enterprise is not in fact what has been done in China. Both in China and in India the power sector is state-controlled, and both countries make use of the private sector to get part of the job done. The difference lies elsewhere – in the way state enterprises and planning operate in China, and in the fact that China has long been investing much more in the power sector than India, both in absolute terms and (more than twice as much) as a percentage of GDP. A similar point applies to many other infrastructural activities: the main contrast between China and India lies more in the effectiveness and accountability of public management than in the extent of privatization.

At the risk of oversimplification, it can be argued that the main respects in which the agenda for ‘political, economic and social democracy’ (much emphasized when India became independent) remains unfinished relate to two areas: (1) continued *disparity* between the lives of the privileged and the rest, and (2) persistent *ineptitude and unaccountability* in the way the Indian economy and society are organized. Depending on our fuller political vision, we may, of course, have other concerns too, and believe much more to be possible today and in the future.* But the urgent need to address these huge disparities and deficiencies would be hard to deny no matter how a commentator defines his or her exact political position.† We shall be much concerned with the identified deficiencies in the chapters to follow.

THE PRACTICE OF DEMOCRACY

The India-China comparison is particularly important to study in the context of China’s lead over India in many of the central areas of development – including its much greater success in developing a social and physical infrastructure that contributes tremendously to economic and social development. There is surely much to interest Indians in what is happening in China. In fact, comparisons of standard social indicators that are widely used for international comparisons, such as those that are covered in the *Human Development Reports* of

* For a helpful discussion of the relation between one’s ‘goals’ and ‘visions’, see Noam Chomsky (1999), Chapter 4.

† The pursuit of justice as a practical exercise has to be distinguished from a more theoretical search for a perfectly just world here and now (on this see *The Idea of Justice*, Sen 2009). Agreements on the need for the ‘abolition of slavery’ emerged in the late eighteenth and early nineteenth centuries, in line with arguments presented by Condorcet, Adam Smith, Mary Wollstonecraft, and others, though all the advocates accepted that even after that big step the world would still be far from ideally just. The feasibility of some changes that are seen to be justice-enhancing provide a strong argument for making those changes, without blocking off further changes that may be needed in pursuit of greater justice and which may become feasible in the near future or in the long run. Further, we can agree on the correctness of some changes as being justice-enhancing, even when different people have rather different visions of an ideally just society that they respectively seek.

the United Nations, or in the list of Millennium Development Goals, tend to be almost entirely in favour of China rather than India, and this contrast – and not merely China's lead over India in the growth of GDP per capita – does tell us something of considerable importance for development efforts in India.

However, there is a need for some caution here as well, since many concerns that Indians do have – and the Chinese too – are not included in the comparative tables of social indicators or growth rates. Most Indians seem to value the democratic structure of the country, including multi-party politics, systematic free elections, a largely uncensored media, a substantial guarantee of free speech, and the independent standing of the judiciary, among other characteristics of a lively democracy.⁶ Those who are still critical of the functioning of India's democratic institutions (and we are certainly among them) cannot deny that there is a big contrast between what India has already been able to achieve and what many countries, including China, have accomplished so far in the practice of democracy.

Not only is access to the Internet and world opinion uncensored and unrestricted in India, there is a vast multitude of media presenting widely different points of view, often very critical of the government in office.⁷ As already mentioned, India's newspapers also reflect enormously contrasting political perspectives, even though there are important gaps that still need addressing. Economic growth has greatly helped to expand people's access to mass communication (including radio, television and the Internet) across the country, in rural as well as urban areas, nicely complementing the availability of uncensored news and unrestrained critical discussion.

Freedom of expression has its own value, and it is something that most people enjoy. But it is also an important instrument for democratic politics, which strengthens people's potential – and actual – participation. The interest in political and social participation now seems to stretch even to the poorest parts of the Indian population.⁸ There are other issues too around political and legal differences between India and China, such as the use of trial and punishment, including capital punishment, sanctified by law. China has often executed more people in just one week than India has since independence in 1947.⁹ If our focus is on comprehensive comparisons between the

quality of life in India and China, we have to look beyond the traditional social indicators. And here there are reasons to be appreciative of what India has been able to achieve, even as we demand more from the practice of democracy in the country.

We must, however, look also at what India has not achieved, and ask whether democratic freedoms are compatible with extending the achievements to cover those gaps. For instance, there has been a good deal of discussion and agitation recently about the widespread prevalence of corruption in India. This is certainly a big failure, but it would be silly to attribute the defect to democracy – indeed many non-democratic countries (including China) suffer from massive corruption. Nor can the problem be eradicated by the pursuit of undemocratic means of summary justice (such as hastily arranged severe punishment for the corrupt), as is sometimes proposed. We do not have to abandon due process in order to meet the demands of most Indians for democratic accountability to be extended in a more comprehensive way to those guilty of corruption (more on that in Chapter 4).

The media can contribute hugely to this important challenge, by helping to highlight the genuine complaints of the people, rather than largely neglecting the violations of rules and norms, as used to be the case until quite recently (and still very often happens when the transgressions occur far from the limelight). There is also the important issue of the susceptibility to corruption of particular systems of administration, by which government officers and business bosses have the power to offer favours for some reward, without being exposed or penalized for their infractions. In this respect, the so-called ‘licence Raj’ was a huge promoter of a culture of corruption. Many of these problems can be dealt with by institutional reforms, but there is a need also for some change in behavioural norms to eliminate the acceptability – to oneself and to others – of corrupt practice. And that too is a matter in which a socially conscious media has a role to play. We shall have more to say on these issues later on in this book: the point here is to draw attention to the problem of corruption that makes the delivery of public services as well as the operation of markets – and of course the exercise of democratic rights – more vulnerable than they need be.

The India-China comparison also raises another question, on which we should briefly comment, before ending this introductory chapter. Since China has done much better than India, by and large, in using economic growth for the advancement of public services and social infrastructure, it could be asked whether India's democratic system is actually a barrier to using the fruits of economic growth for the purpose of enhancing health, education and other features of 'social development'. In answering this question, it is hard to avoid a sense of nostalgia. When India had very low rates of economic growth, as was the case until the 1980s, a common argument used by the critics of democracy was that it was hostile to fast economic growth. It was hard to convince those critics that fast economic growth depends on the support of the economic climate, rather than on the fierceness of political systems. That debate on the opposition between democracy and economic growth has now ended (not least due to the high growth rates of democratic India), but how should we assess the alleged conflict between democracy and the *use* of the fruits of economic growth for social advancement?

What a democratic system achieves depends largely on what issues are brought into political engagement. Some issues are extremely easy to politicize, such as the calamity of a famine (recurrence of which tends to stop abruptly with the institution of a functioning democratic political system), whereas other issues – less spectacular and less immediate – provide a much harder challenge. Using democratic means to remedy non-extreme undernourishment, or persistent gender and caste inequalities, or the absence of regular medical care for all, is much more difficult, and success or failure here depends significantly on the range and vigour of democratic practice.¹⁰ There has, however, been considerable progress in dealing with some of these issues, such as particular features of gender inequality, through somewhat improved practice of democracy in recent years. But there is still a long way to go to take on all the social disadvantages and injustices from which many Indians persistently suffer.

In China, the process of decision-making depends largely on decisions at the top, taken by political leaders, with relatively little scope for democratic pressure from below. The fact that the Chinese leaders, despite their scepticism of the values of democracy and liberty, have

been strongly committed to eliminating hunger and illiteracy, has certainly helped China's economic and social advancement. There exists, however, a serious fragility in this process, since there is little remedy when the government leaders change their priority in a counter-productive direction. The reality of that danger revealed itself in catastrophic form in the Chinese famine of 1959–62, which killed at least 30 million people, when the regime failed to understand what was going on and there was no public pressure against its policies, as would have arisen in a functioning democracy. The policy mistakes continued throughout these three years of devastating famine. The fragility was seen again with the economic reforms of 1979, which greatly improved the efficiency of Chinese agriculture and industry, but also involved a huge retreat from the principle of universal health care coverage, especially in rural areas. As the axe fell on the 'rural cooperative medical system', the proportion of the rural population covered by free or heavily subsidized health care crashed to 10 per cent or so within a few years.

Such fragilities are inescapable in an authoritarian system where supportive and protective policies can suddenly change, depending on power politics at the top. An established right to health care could not have been so easily – and so swiftly – withdrawn in a functioning democracy. The withdrawal of universal entitlement to health care sharply reduced the progress of longevity in China, and China's large lead over India in life expectancy dwindled over the following two decades – falling from a 14-year lead to one of just 7 years. However, the Chinese authorities did eventually come to recognize the value of what had been lost, and reintroduced social health insurance on a large scale (under new arrangements, including the 'new cooperative medical scheme') from around 2004.¹¹ China now has a much higher proportion of people with guaranteed health care (more than 90 per cent) than does India. The gap in life expectancy in China's favour has been rising again, and the reach of health coverage is clearly central to the difference.

Given its political system, India has to cultivate democratic engagement in demanding universal health care and addressing this long-standing neglect. This means putting pressure on the government in office, but also making these priorities a part of the demands