

A VISION OF INDIA IN 2020

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"Free Enterprise was born with man and shall survive as long as man survives".

— **A. D. Shroff**

1899-1965

Founder-President

Forum of Free Enterprise

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Mukesh D. Ambani*

I propose to use this opportunity to take you with me on a journey into the future. For sharing a dream. Endeavouring to make this dream a reality.

We are standing on the threshold of a new millennium. What will this world look like as we wade through the first twenty years of the 21st century? In that world where will India find herself? Is her destiny pre-determined? Or can this generation, our generation, defy the prophets of doom? Can we carve out for her a proud and glorious future? What must we preserve and nourish? What should we discard?

The Changing world

We are living in a world that is changing at an incredible pace. In the information age, words are acquiring new meaning. Address no longer indicates where one lives. It is the location of information in computer memory. Mouse is not a rodent. It is a hand held control device. Communications and information technology is the biggest technological juggernaut to

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have ever rolled on this earth - redefining the way we think, act, work, play - triggering massive economic, social and cultural changes.

Children will spend more time with computers than conversing with their parents, reading or playing. The Internet and Web TV will be an integral part of our daily lives. For a family more than providing separate bed rooms for our children, we will have to provide for separate web TVs so that they can learn, play and entertain. Children will be using CD-ROMs, to virtually traverse the oceans and the continents, explore unknown places, create movies, simulate earthquakes, pilot planes, command space crafts and take moon walks. The expanse of a child's mind will be limitless. Undoubtedly the world will have more self confidence, self absorbed and informed children.

Life will no longer be divided in neat phases of education, work and retirement. Once an individual has acquired basic literacy, education will be a life long activity. Training and retraining will be the essence of skill creation. Those who ignore this will relapse into functional illiteracy. More people will be consuming the same array of worldly goods than at any time in history. However, as material needs are met, spiritual hunger will grow. Our planet will not remain merely a global village. It will almost become an extended family.

Governments today derive power from secrecy. The official secrets act is inviolable. This will soon become a relic of the past. Transparency will become the

order of the day. Not because Governments will become generous and large hearted. Because it will be beyond the power of any Government to block access to information.

Economic scenes all over the world will be dominated by Globalisation. Growth in trade will outstrip growth in output world over.

What globalisation will mean

Examples of ingredients of globalisation will be – greater flows of investment to less developed countries, lightening speed of technological transmission, giant sounds of European and American jobs lost to emerging economies, global dominance of brands like Coca-Cola, CNN, Reebok and Nescafe.

Globalisation will result in a different paradigm of opportunities and inter-dependencies for economies as well as new terms and conditions for corporate competitive success. Just as water changes to a solid when temperature drops one degree at 32° F mark, so there is a threshold – where the addition of one more degree of globalisation will create a totally different reality in which corporations as agents of capital and technology must adjust. A company's failure of anticipatory intellect or lack of vigilance and preparedness could have terrible consequences. Our world will be in perpetual turmoil. It will be a creative and challenging turbulence. There will be a revolution in the ways businesses are organised, industry is conceived, wealth

is created and knowledge imparted. Incredible technological innovations will drive information revolution to new frontiers.

The technology revolution

Several new technologies will place unprecedented power and opportunities in the hands of our children. Genetic engineering – Genome mapping with gene probes – that will predict who will get what disease. Anti-ageing products that are based on genetic manipulation to slow ageing. Insulin pumps embedded in the bodies of diabetics. These are all expected to be a reality in the coming 5-10 years. We will see amazing breakthroughs – miniaturisation will be the order of the day in all fields ranging from medicine to electronics to entertainment to education. The electronic membrane covering the earth will wire all humanity together in a single nervous system.

For the status-quoist mind this is a bewildering scenario. For the dynamic mind, ready to absorb these momentous changes and adapt them, it unfolds exciting and unprecedented opportunities. The meek will be stunned. The courageous will soar to new heights. Here my dream begins to take shape.

An unprecedented opportunity

I believe this all embracing technological revolution has opened up for India an unprecedented opportunity. After a long time, we have a chance to free our people from poverty, illiteracy and drudgery. We can

make the 21st century – the India century. By 2020, we can make India one of the five major economic powers in the world – along with USA, Germany, China and Japan. This is my dream. I wish to share it with you. Not only the dream but the strategy that can make it a reality.

The votaries of leisurely growth will, I know, greet this vision with cynicism. How can a country with 400 million living on less than one US dollar per day entertain this ambition? How can people, half of whom are illiterate, aspire to become a world economic power? Does our record justify such ambition? I do not dismiss these questions lightly. Nevertheless, I refuse to be dispirited by them. I will like to assure you mine is not a poet's fantasy. The impressive edifice of this vision rests on solid foundations.

The foundations of growth

Firstly, I hope, you agree with me that the future of the country is carved by young people. With each passing year, the young population in India is growing. By the year 2020, about 400 million Indians will be below the age of 35 years; nearly double the number today. This youth is still in schools and colleges – bubbling with energy and enthusiasm. They are ready to adapt to new technologies, ready to take on the world. Give inspiring motivation, they will leave no stone unturned to build a great India. Here is that motivation. The dream of making India an economic super power.

Secondly, not many countries in the world have the benefit of as huge a growing domestic market as India. Our per capita consumption of energy, steel, plastics, telecoms, etc. is amongst the lowest in the world. India is destined to be one of the two biggest markets in the world.

Thirdly, world over, the time required for doubling the per capita output has shrunk dramatically. Thanks to wondrous strides in technology. To double its per capita output, the UK took 58 years, US 47 years. Japan accomplished the feat in only 34 years. After 1940s Indonesia did the same in 17 years, South Korea in 11 years and China in 10 years. Now it is our turn to take up the challenge - the challenge we face is to double per capita income every 5 years.

Fourthly, plurality, tolerance, democracy, hospitality are essential properties of the Indian ethos. These are essential pre-requisites of the information age. Because this age will pull down hierarchies, demand the quality to be participatory and insist on harmony among its constituents. Several other societies will have to make great adjustments to imbibe these traits. India will therefore enjoy a competitive advantage in dealing with the demands of the information age. This age will bring about the formidable latent strengths of our ancient civilisation. Other societies will struggle to be like us, i.e. secular, pluralistic, tolerant and democratic.

Fifthly, India's family system will be a source of great

strength. Our traditional values will stand us in good stead. Respect for elders, supporting the aged, concern for the under-privileged, sharing of joy and sorrow and above all a feeling of togetherness, characterise these values. In the west, alienation, depression and distancing from the family are social malaises. Our family system will act as powerful shield against economic stress in the new information age.

Sixthly, a solution of many of our chronic problems has become much easier today than ever before. Take for example, education. Inadequacy of infrastructure will cease to be a problem. Knowledge and information can now be accessible across all physical and geographical boundaries.

Seizing the opportunity

Most experts seem to have settled for a 7% annual growth rate of GDP for our country. At this rate India will have to wait 68 years to achieve GDP of the developed world. Does anyone believe that with television exposing the remotest village to modern life, you can have patience, peace and stability at this rate? Either we perform or perish.

I am of the conviction that rapid growth is the only path forward. India has the ability to grow at double digit rates on a sustained basis. How do we seize this opportunity? We have to alter our strategy drastically and change our mindset fundamentally. We must refuse to look at the world as it was yesterday. We should look at the world of tomorrow and fashion our strategy. This will make a quantum leap possible.

Two sectors have the ability to leap frog India - Agriculture and Information Technology. These areas are capable of generating maximum wealth with modest investments.

Focus on agriculture

Let us look at agriculture. India has 329 million hectares of land area. Nearly half of it is arable. We can increase production at least five fold if our current yield is raised to international standards. Agriculture requires soil, sunshine and rain, which we have in abundance. Nature is generous with us. We are blessed with varied agro-climatic conditions. Indian farmer adapts to innovations rapidly. Success of the green revolution has demonstrated this conclusively. It is one of the few sectors in which India enjoys international competitiveness. Given the growing world population, dismantling of trade and tariff barrier amongst economies as a result of GATT – agriculture can be a major contributor to Indian exports.

Dynamic and progressive agriculture puts purchasing power in hands of millions of people in the shortest possible time. It can provide maximum employment, more than any other sector in the shortest time. In fact, Indian agriculture can easily employ another 120 million people just by concentrating on developing 40 million hectares of wasteland. Modernisation of agriculture will reverse the present unending migration to the cities and thereby improve the quality of life in the country's urban areas also.

We have the natural resources. We have the human resources. And the benefits are so obvious, extensive and immediate - clearly India's future is in her farms. Agriculture has the potential to accelerate economic growth and social development in India.

Harnessing technology

Let me turn to sector of future - I am afraid, we have completely ignored so far the dramatic potential of information technology markets - India has an extensive network of institutions of science and technology.

Every year thousands of young people are joining the skilled workforce. They are conversant with work in the English language. These young people, we know, from our experience, relate very favourably to information technology. The demand for such skills is snowballing the world over. Millions of young people can be trained to service this demand. At \$10/hour and working for two thousand hours per year, a young Indian in the information sector can easily earn \$20,000 year. He will be competitive and he will bring this money from overseas while working at home. This is because new technologies have made distances irrelevant. One million young men and women, employed in the information sector, will bring in 20 billion dollars into India. In the next 20 years, it should be possible to employ 50 million young people in the information sector. They will bring in an astronomical income of about a trillion dollars. And these people will create demand for cars, refrigerators, houses, telephones

and all other amenities of life. This in turn will help the core sector of the economy to grow. Thus by reorientation of approach and emphasis in these two sectors, we can create a self sustaining cycle of prosperity and growth, each supporting and accelerating the other.

Changing priorities

What do we need to achieve this? Change our priorities. Economic reforms are important. They need to be deepened, no doubt. But sweeping reforms in the field of education are needed to reap the rich harvest of information revolution. A national crusade for education standards representing what all our students must know to succeed in the knowledge economy of the 21st century is required. Every school must shape the curriculum to reflect these standards. We have to transform our schools, colleges and universities to dynamic centres of learning. Sweeping educational reforms are the crying need of the day.

With a correct strategy and focus on these two areas, double digit growth in our GDP will appear to be realistic.

Achieve or perish

Looking closely, we will discover that India has really no options. She must achieve a great power status or go under. By the year 2020, our population of 950 million would increase by another 350 million – of which 200 million will be joining the workforce.

This new generation will grow up in an environment of rising aspirations fuelled by the communications revolution. They will insist on nourishing food. They will demand meaningful education and gainful employment. They will demand better life.

We must tackle the basic problems of food, education and employment. If we do not, India will be torn apart. Violence, crime and malnourishment will cause an unmitigated disaster. This, obviously, is unacceptable. On the other hand, if we manage to tackle these problems successfully, India will automatically become a major economic power.

Therefore for us, there is only one course: to summon the will of all sections of our society and make this dream a reality. We have to discard poverty of ambitions and lethargy in action. We have to make "India - an economic superpower" - a mission for all Indians.

In my view, changes are required across the board.

Firstly, changing the mind-set must be the starting point. Hard work in every field by every citizen must be the hallmark of a new India. Pursuit of excellence at individual level is desirable - but world-class achievement these days demands collective effort by a large number of people with diverse skills. We must learn the art of team work.

Secondly, high quality of leadership is a must in all walks of life. Political leaders with conviction and commitment. Business leaders with courage and

ambition. Intellectual leaders with creativity and vision. Our sages and saints can make an invaluable contribution by providing moral leadership to fill the spiritual vacuum that is the hallmark of a society in transition.

Thirdly, I must submit that we cannot have 21st century economy and 18th century state apparatus. State must be modernised. Let us discard the view that Government is the benefactor and people are supplicants. Government-people relationship should be marked by a spirit of partnership and reciprocity. Government should be responsive and accountable. Democracy must percolate much deeper.

Fourthly, we should be clear about the role of Government. Borrowed cliché's often confuse our minds. I do not share the view that the state will have no role to play in the market driven economy. In fact, in order to satisfy both material and non-material wishes of the people, the state must deliver. Private enterprise will no doubt, assume command of the economy, but Government must continue to fulfil major economic roles, specially in respect of macro-economic management and providing a regulatory framework that encourages competition.

Fifthly, participatory ethic should permeate all our institutions including business corporations and academic bodies. People whose lives are affected by a decision must be a part of the process of arriving at it.

Sixthly, India has suffered acutely because of the disconnect between technology and business. This must be ended. We can derive a big advantage by attracting our non-resident professionals, scientists and engineers in the work, particularly in the technology intensive areas. We can shift the balance of technology power by attracting back our highly educated and trained non-resident Indian people. These high tech professionals with their network of contacts can quickly close the technology gap and accelerate the pace at which India catches up with the West.

Technological leadership has been West's domain for many decades. Perhaps, this will continue in some areas. But technological applications, proving the power of technology to millions of new participants in the global economy, will depend on many highly educated and skilled people. India has the potential to dominate the 21st century of skilled technicians who will be able to deliver new products and services to the world.

The critical role of women

No knowledge based society can flourish without full participation of women. You cannot hope to achieve a successful great leap forward if half of your people are not involved in the creative process. Indian women have demonstrated they are next to none in the world. May I say that Indian women have been quicker to seize the opportunities of globalisation than men - both in beauty as well as in brain - Sushmita Sen

and Aishwarya Rai became the most successful ambassadors of Indian womanhood. Kalpana Chawla, with her grit and determination, catapulted herself from being a shy girl in Haryana, into a confident astronaut exploring outer space. For Indian women, the sky is not the limit.

I have no doubt that information revolution will totally transform the work environment for women. It will demolish gender inequality. Women will be equal partners with men. The most revolutionary changes of the next 20 years will come from the desire of Indian women to enrich themselves by participating in all human endeavours.

Indian woman will discover unique ways of blending religious commitment, cultural traditions and family obligations with new work styles and leadership in various areas. They will redefine feminism the 'Indian Way' providing an additional dimension to our common humanity.

I hope this vision for India 2020 will stimulate your thinking. I do not have answers to all our problems. I may be looking at the sky, but my feet are firmly on the ground. This vision envisages flowering of an individual, strengthening of community, building institutions and strengthening our country. In fact, it ensures that a vibrant and dynamic India is able to play a befitting role on the global arena. It rejects an isolationist approach.

I invite all of you to join in the great march towards India 2020 of my dreams – towards making this country an economic super power in twenty years. Several nations as well as individuals in our times have achieved miracles in a twenty year span.

The Mantras of my life

Before I conclude let me share with you a few Mantras that hold the secret to success. Here they are:

- Think big. Challenge conventional wisdom. Think differently. Think long term.
- Work towards long term objectives. Do not get distracted by short term opportunities.
- Always aim for the best. Not just the best in India, but the best in the world. The best technology, the best equipment, the best workforce.
- Demand excellence. Never compromise.
- Do not fear change or the unknown.
- Embrace the information technology revolution. Make the fullest use of technology.
- Create leadership qualities and above all trust in your people.
- Work hard. There is no substitute for determination and perseverance.
- Never accept defeat. Turn adversity into opportunity.

I have learnt these Mantras from my father in the process of building Reliance. But these are not the monopoly of Reliance alone. I would like to see these

principles enshrined in the consciousness of every individual and business entity in India. Nothing can then stop India from becoming a great economic power.

This new era is not for the feeble hearted. Time has come for us to think adventurously and act decisively. We have the resources and we have the opportunity. We have to summon the determination and make the effort. My optimism springs from my faith in the youth of India. It is sustained by the richness of our civilization. It is strengthened by examples of our achievers.

Our generation cannot shirk its duty to the country and to the future. Making India one of the five economic super powers may appear to be an impossible dream today; it will become a reality tomorrow. Let us take India forward and achieve the impossible.

Let me challenge each one of you today to think and contribute to our India 2020 vision. Let us together hand in hand create an India our children can be proud of. None of us can finish the race alone. We can only achieve our destiny together - one hand, one generation, one Indian connecting to another.

*The views expressed in this booklet are not necessarily those of
the Forum of Free Enterprise*

"People must come to accept private enterprise not as a necessary evil, but as an affirmative good".

— Eugene Black

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The Forum of Free Enterprise is a non-political and non-partisan organisation started in 1956 to educate public opinion in India on free enterprise and its close relationship with the democratic way of life. The Forum seeks to stimulate public thinking on vital economic problems of the day through booklets, meetings, essay competitions, and other means as befit a democratic society.

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