

Visioning India 2032

The Prime Minister has tasked NITI Aayog to deliver a 15 year vision for India. Underpinning this commendable initiative is the widely shared assumption that India will grow at least at eight per cent on average every year. This would mean that India's gross domestic product (GDP) would at least triple by 2032.

Economists think of the consequences of this by asking: How will this growth alter the sectoral, investment, and trade composition of the economy? Will agriculture shrink, and manufacturing increase, in importance? Will services be as they are today with low-end personal services providing the bulk of employment? To secure eight per cent growth, we will need to annually invest 30 per cent of GDP over the next 15 years. What will be the balance of public, private and foreign investment? Will India's share in global merchandise exports be more than the insignificant 1.7 per cent that it is now?

These are questions that would be asked by an economic planner. A vision is different from a Plan in that it also asks questions about the consequences of such growth for people's lives. Will our population be healthier and better qualified to deliver the skilled manpower needed for growth? Will we be largely an urban society? If so, what will this require in terms of energy, transport, and communication services? What are the aspirations for India in 2032 in terms of access to unpolluted air and clean water?

Addressing these questions involves political economy. For example, India in 2032 will be consuming far more than it is now. Such consumption will place demands on natural resources that may be unsustainable. However, it will be difficult to limit these demands.

A car or motorcycle today provides freedom of movement to those who can afford them that others do not have. Having seen the present rich enjoy this freedom,

the future, larger, rich will not accept limitations on their ability to consume these things unless there is a social transformation.

This leads us to the question: What will Indian households look like in 2030? Will we have the majority of our populations cooped up in slums and hovels while a few enjoy the luxuries of apartment life? If this inequality is to be reduced, will this happen by the state providing public services that are consumed by all? For example, will India in 2032 have a publicly funded

school system which educates the children of rich and poor alike? Or will we compensate those who cannot afford quality education through transfers? Will a household in Bihar still have a significantly inferior quality of life than a household in Goa? Will women continue to require male guardians to securely navigate public spaces – like in Saudi Arabia – or will they have the freedom to work and consume as independent individuals thereby contributing to productivity and growth much more than their present fettered existence allows them to? How will we deal with the emerging ageing problem in an increasingly urbanised, nuclear, society?

Addressing these questions requires us to imagine not just the economy, but also the content and textures of peoples' lives, and their social relations in 2032, to think about the nation, rather than technocratically obsess about sectoral compatibility issues and resource constraints — the big lesson learnt from foolish Soviet planning.



PUBLIC INTEREST

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The vision requires us to think about the transformation of two key national entities: Society, and the State.

There are some obvious societal changes that will need to underpin the tripling of India's growth rate. A three-trillion-dollar economy is not compatible with a caste system in its present form that nevertheless underpins political calculus. Nor is it conceivable that the economy can triple without significant changes in the position of women in society.

How big will the governments of India be in 2032 and what will they be doing? The Centre and the states, collectively, consume 25 per cent of GDP to provide services at the level and quality that they do at present. The third tier is undermined and rendered irrelevant by lack of financial autonomy and control over functionalities. The machinery of government is decrepit and largely unchanged since the colonial period. Public order and internal security consume increasingly large proportions of the Centre's Budget. We need to arrive at a collective view of how large we would like the Indian state to be in 2030. We need to pinpoint the level of efficiency we expect the state to operate at, and have a clear strategy for doing this, something we have spectacularly failed to address over the last 68 years.

This will also involve looking at state-society relations; corruption, privilege, and unequal access to public services by state functionaries means that the relationship of the state with society has a significant exploitative component. Reform needs to address this question rather than just bypassing it by using technology to deliver services – so converting the government into what a columnist in this newspaper has called "one giant app."

These important dimensions should inform the vision for India 2032. NITI Aayog has shown commendable appetite to engage with such questions; the policy ecosystem must now foster active public debate on these issues so NITI Aayog can take the visioning exercise beyond the traditional economic planning silo.

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