

Don't let 'Developed Nation' Vision Turn into Grand Illusion, Again

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By Naresh Minocha, Consulting Editor

PRIME

Minister Narendra Modi has stirred the development cauldron with his clarion call to make India a developed nation. He described the national resolve to be the **"Developed India"** by 2047 as a **"Big Resolution"**.

Big it is. But much bigger is the challenge of turning this dream into a reality. Biggest challenge is to learn from past, failed attempts to break into League of developed nations.

Earlier regimes & law-makers day-dreamt the **'Developed Nation'** vision periodically since the days of Nehru. This, however, requires a separate, fascinating story.

Now that Mr. Modi has pulled out this Big Idea from graveyard of failures, it is time to give it a serious and determined look. It should be exciting for all Indians in making a fresh attempt at big leap over the next 25 years.

And the best way to do is this to learn from the recent failures and partial successes in dozens of vision documents prepared by Modi Government since May 2014.

As put by Mr. Modi in his **'Mann ki Baat'** on 31st May 2015,

"Those who consider failure as an opportunity, always head towards the foundation of success. Those who give up in life, due to failure, can never reach the heights of success. We can learn a lot from our failures. Why not we believe that our failures can provide us the opportunity to know ourselves better and understand our strengths, and by knowing our strengths and talents, we will be able to choose the right path in life."

The Government should give a report card on path-breaking ideas /schemes such as Transforming India, Strategy for New India@75, **Amrut** (**Amrit** now) Mahotsav-centric Union Budget speech 2015-16, New India Pledge/ **Sankalp se Siddhi** conceived by PM.

The report card would obviously show the huge gulf between the intent and the actual achievement. This would serve as a big lesson on implementation of great ideas into verifiable outcomes.

The Government requires political will to admit that it is repeatedly missing lofty targets due to lax implementation and poor monitoring. It should either not create false hope of rapid-fire **vikas** or it should go the whole hog to usher **Ram Rajya**. Endless blaming of Nehru-Gandhi family for India's problems would not catapult India into the developed league.

In May 2016, the Prime Minister's Office advised the NITI Aayog to prepare A) a 15-year Vision, B) 7-year Strategy beginning 2017-18 as part of **'National Development Agenda'** with mid-term review after three years and C) 3-year Action Agenda.

The first two documents are not in public domain and were perhaps not prepared. The Government should also give action-taken reports on these three reports to empower citizens to respond whole-heartedly to the call for **'Developed India.'**

It also crucial to reckon certain other official and non-official documents to show that the road towards **'Developed Nation'** is paved with countless, speed-breakers and potholes.

Equally beneficial would be the upcoming evaluation of the **'World Bank Group Country Partnership Framework (CPF) for India (FY18â€“22)'** dated 25th July 2018.

Mr. Modi's call for Developed Nation, given on 15th August 2022, was preceded by a lot of internal exercises to concretize this resolve. If one goes by disclosure at an official website indbiz.gov.in, the Government was supposed to finalize the Blueprint for India@2047 by May 2022. The inputs for Blueprint were to be contributed by 10 Sectoral Group of Secretaries (SGoS). Mr. Modi would hopefully release these reports to recharge national quest for 2047 goal.

In January 2022, an official release stated that PM has directed that all Ministries and Departments should formulate a document for Vision India@2047. Such documents should identify the long-term goals and corresponding outcomes for this decade with timelines and milestones. Certain ministries solicited inputs for their proposed vision documents.

The Department of Posts is currently conducting a national-level Letter writing competition on Vision 2047. The four-months long competition would end on 31st October 2022. These documents should also be a few clicks away from the citizens. This would help some researcher do content analysis of millions of letters to spot key issues embedded in national psyche.

The Government ought to make public the fate of the 5-year vision documents prepared in 2018. At that time too, 10 SGoS were formed to prepare sectoral vision reports. Let all official documents on visions of all hues be made as freely accessible to citizens like **Har Ghar Tiranga**.

Knowledge-sharing for India@100 should thus be the Government's first of the *PanchPran* (five vows)

to attain the goal of 'Developed Nation.' It is here pertinent to recall what Mr Modi, widely acknowledged as a management guru, said way back in June 2010.

He stated:

"Delivery of good governance cannot be achieved merely because we have good intentions. We should know how to approach; we should have clear understanding of our strengths and weaknesses...In short, a SWOT analysis to tell us about the strength, weakness, opportunities and threats should be undertaken. If we start with such an understanding then we can think of solutions."

SWOT analysis of all sectors should thus be Government's 2nd *Pran* or 2 nd stepping stone towards India@2047.

The common denominator for measuring progress or backwardness in any domain is per capita income. Hence the World Bank's classification of countries into four groups on the basis of per capita income. The classification starts with low-income countries and ends with high-income countries (the developed ones). The second category is of lower middle-income (LMI) countries and third one is of upper middle-income (UMI) countries.

This broad categorization mirrors the status of any nation. There are other multiple indicators of development such as per capita availability of water, hospital beds per 1000 persons, Happiness Index, Rule of Law Index and Governance Index etc.

Preparing functional definitions of both developed nation and poverty line (PL) should thus be third *Pran*

for the Government. Modi Government's inability to prepare '**working definition**

' of PL is one of its glaring failures. It has kept under wraps the report of Task Force (TF) constituted in March 2015 for defining PL and for laying the roadmap for poverty elimination.

TF failed to arrive at consensus on PL definition, which has direct bearing on expenditure on social welfare schemes, leave aside vote bank politics-crafted freebies. In 2016, TF recommended constitution of another panel on this issue. The Government has since then found it convenient to bank on outdated and woefully inadequate PL laid down by UPA regime in 2011.

Modi Government should give up its reluctance to adopt WB's poverty line USD 3.2/person/day (revised to USD 3.65 in 2022) for LMI nation in which India is placed at present. This would show more than 50% of Indians as poor. The Government should also regularly update Indian demographic data while bracing towards '**Developed Nation**' goal.

The Government's fourth *Pran*

should be regular updating of data on population, poverty, unemployment and other macro-indicators that measure stage of development.

This is important as India would have to first move up from LMI to UMI category of nations. WB has revised PL for this group to USD 6.85 a few months back from USD 5.50.

According to WB's CPF,

"Having already reached middle income status, India has the aspirations of bettering the lives of all its citizens by becoming a high-middle income country by 2030, well before the centenary of its independence."

The Government ought to disclose whether this milestone is achievable by 2030 keeping in view the slow-down in economic growth and rise in poverty due to lingering impact of demonetisation, lockdowns and messy execution of goods and services tax (GST).

As and when we enter UMI category, the strategy for graduation to high income category of countries can be tweaked keeping in view the global dynamics including inflation and rupee depreciation.

It is crucial to set minimum, annual growth rate of GDP required to achieve objective of becoming developed nation by 2047. Many experts believe that sustained 8% growth is not achievable keeping in view the complex interplay of constraints in socio-political strife-ridden democracy.

It is pertinent to note that Niti Aayog's India Energy Security Scenarios, 2047 website, iess2047.gov.in, has assumed sustained GDP growth rate of 7.4% per annum to 2047. The country's overall energy import dependence would decline to 22% in 2047 from 31% in 2012 under ***"heroic effort"*** in demand sectors, according to interactive data generated at iess2047.gov.in.

Does this macro indicator fit well into wished-for strategy to become developed nation by 2047? There are many more such questions to be answered before finalizing take-off mission to India@100. In fact, each daunting constraint stirs several questions in mind. Overlooking them would drag mission 2047 into a much lower muddle-along trajectory.

It is here apt to mention two big constraints that have shackled India in developing country/poor country category. Reckon the average speed of vehicles on the road and freight trains.

High-speed roads that can carry goods to customers in far-off markets raise productivity, reduce poverty and are an important contributor to sustainable and inclusive economic development, according to two IMF economists.

In a blog published in June 2022, they state:

"the world's fastest roads are found in richer economies including the United States, Portugal, Saudi Arabia and Canada. The slowest roads are found in the poorest countries—another obstacle to inclusive growth."

The blog is based on the two economists' innovative working paper (WP) published in May this year. They categorized countries into four groups starting with slowest mean speed (MS) of 30-60Km/hour and ending with the fastest speed of 91-110Km/hr.

India has mean speed of 58 km/hour and is thus placed in lowest speed category. In a WP, two researchers observed: ***"In a sample of over 160 countries, we find that MS scores range between 38 km/h (23.6 mph) and 107 km/h (66.5 mph). We show that the MS score is a strong proxy for road quality and access."***

Can India become a developed nation amidst ***Rasta Roko, Bandhs, Chakka Jam***

and processions of varied hues on the roads? What about annual damage of roads and bridges during the floods, impacting economic efficiency?

Consider now average speed of freight trains and turnaround time of wagons. Freight trains speed is average of 46km/hr. The Railways is striving to increase to 50Km/hr, a modest target indeed. It also wants to reduce wagon turnaround (WTR)- needs to be reduced from 4.86 to 3.5 days.

As put by Railways Board Chairman at an internal meeting held during February 2022,

"Average speed of freight trains, calculated with stabling and yarding times, is alarmingly low. Quantum increase in this important operational parameter is essential for improving WTR."

Another Railways Board Member pointed out in May 2021,

"We have to get more out of our assets. The average speed of freight stock has increased to 45Kmph, however, if we include the yard detention, the same drops to 16.1."

Is ultra-slow speed of freight trains optimal for India to leapfrog into dreamt-for club of developed nations?

The Government should commission a study on the lines of one done by WB before preparing CPF. It is thus pertinent here to quote from WB's 2018 study titled 'India: Systematic Country Diagnostic - Realizing the promise of Prosperity.'

Says the Study:

"India is now poised to transition to a higher and more widely shared level of prosperity: by 2047-the centenary of independence-most citizens could join the ranks of the global middle class".

It, however, points out that India would have to grow at 8% percent or more per annum on sustained basis for next 3 decades. The biggest challenge on this path is shortage of natural resources on per capita basis. As put by the Study,

"It is among the most densely populated countries on Earth. It has a per capita water availability that puts it in the most water stressed quintile in the world and yet it remains the world's largest irrigator."

In fact, critics of distorted farm subsidies have pointed out that India exports water in the form of sugar and rice as both sugarcane and paddy are water-guzzlers. Successive regimes have failed to modify & diversify the country's cropping pattern.

The Study has, therefore, pitched for resource-efficient, productivity-led, inclusive growth path for India.

This recipe appears simplistic on paper but is most difficult to implement on the ground where intense diversity triggers clash of interests, slowing growth momentum.

The Study has identified a ***"huge reform and governance agenda"*** as crucial for achieving high growth in GDP on sustained basis.

Similarly, Federation of Indian Chambers of Commerce and Industry (FICCI) study has identified adequate jobs creation as key challenge in sustaining accelerated growth.

The 2018 study titled '***Envisioning India 2030***

' has factored in 2047 scenario. Under strong reforms, India economy can be USD 40 trillion when India marks 100 years of Independence.

The Study says: ***"While fast growth will make India an economic super-power" by 2047,***

"it may still not be a happy country for which more inclusive job creating growth will be needed. And if we don't solve the issues of inequality and underemployment, future growth could be threatened".

The fifth Pran should be release of an independent, annual report on 'Progress in Transforming India into a Development Nation

.' The report should place before the nation all new and old challenges and suggest solutions.

With this perspective, the authorities should always keep in mind what reputed historian, late Dr. M.N. Das said in Rajya Sabha on 25th February 2003.

Commenting on NDA Government's resolve to turn India into a developed nation by 2020, Dr. Das stated:

"Simply by hope you cannot create a Utopia and by declaration you cannot create an El Dorado."

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