

THE FUTURE OF INDIA

Four Scenarios

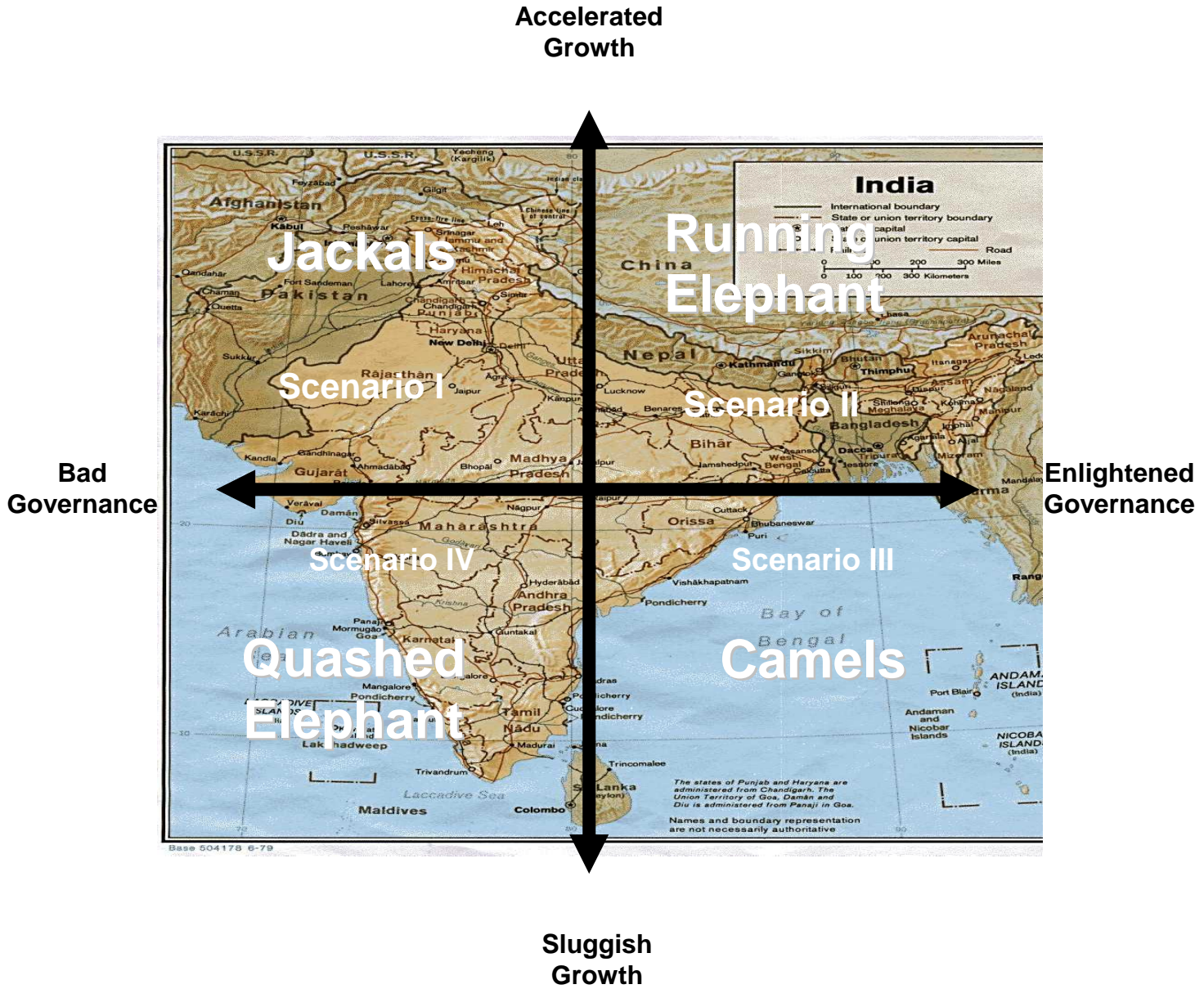
**For: Ministry of Foreign Affairs
Strategic Policy Unit**

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2006

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Four Scenarios



Scenario exercise on the Future of India
Royal Netherlands Embassy, New Delhi
Strategic Policy Planning Unit, Netherlands
Ministry of Foreign Affairs

Introduction to the India 2020 Scenarios

Most of us can subject our past ideas and assumptions to critical scrutiny but find it more difficult to query those we hold now. Such questioning often seems troublesome and likely to produce indecisiveness. The same applies to organisations. They find it difficult to acknowledge future uncertainties when they are trying to plan their policies. The beliefs and assumptions underlying policymaking are seldom queried, and then only in retrospect. Based on these beliefs and assumptions, many organisations have an ‘official future’: a shared, often unspoken, belief about the future context in which they will have to operate. The failure to query underlying assumptions may be partly due to factors such as use of language, fashion or political opportunism. In any case, it will prevent the development of alternative ideas about the future. This is true in both the private and the public sector, and hence also for ministries of foreign affairs. A review of developments over recent decades and the predictions made about them in the past leads to the inescapable conclusion that projections are generally unreliable. Policies based on them may actually prove counterproductive. The use of alternative future scenarios has proved to be a valuable way of examining current beliefs.

Stories about the future

Scenarios are stories about alternative ways in which situations may develop in future. Stories are an ancient and well-tested way of ordering knowledge and enabling complex situations to be examined from different points of view. In a similar way, scenarios describe possible future developments in the operational environment of an organisation. Every scenario outlines a different, internally consistent evolution of events and trends over time. The overall set of stories provides an open-minded view of the possibilities. Scenarios are certainly not predictions and their inclusion says nothing about their relative probability. They are constructed in order to increase understanding of the often complex interactions between the underlying forces likely to determine the course of events. For this reason, scenarios can also help the user to identify the first straws in the wind signalling fundamental changes in the operational environment.

‘Scenarios are fictional archetypes of possible futures.’

Scenarios are stories about the future, but they are also alternative interpretations of events in the present. By outlining a fundamentally different evolution of trends and events, each of them confers a different meaning on the here and now. In this way, they cast doubt on existing assumptions and expectations about the future. Sometimes such assumptions are universally accepted within an organisation; in other cases, dissenting views may be unexpressed and lead to internal divisions. Each scenario offers users a common context based on a coherent set of assumptions. This means that some people will find ‘their’ assumptions about the future reflected in one scenario, while others will identify more with another.

The scenario method is not new and has a rich history. First used as a means of military planning shortly after the Second World War, scenarios are now produced by

many companies and international organisations as a way of increasing understanding of their operational environment. The scenarios continuously developed within Shell are well known all over the world and have repeatedly played a crucial part in determining the strategy of the company. Over recent decades, political scenarios have also been constructed in many different countries. The most renowned are probably the ‘*Mont Fleur*’ scenarios produced on the eve of the abolition of apartheid in South Africa. In the Netherlands, the Bureau for Economic Policy Analysis produced various scenarios in the early 1990s and a number of government departments have since adopted the scenario method as a way of reflecting on policy. The Netherlands Ministry of Foreign Affairs started to develop and apply scenarios in 2001. After a one-year exercise focussed on global poverty reduction, scenario-thinking was applied to more specific subjects and countries.

Scenario exercise India 2020

Following an initiative by the Royal Netherlands Embassy in New Delhi to explore the uncertain trends of the future of India, a scenario exercise was held in New Delhi on 19-20 May 2005. This exploration of India’s future had the benefit of being a joint effort, exchanging both Indian and Dutch observations on the future of the country in the long term. The participants in the two-day scenario workshop were Indian and Dutch experts, academics and policy-makers involved in strategic thinking on developments in Indian society that may have implications for India’s future international role. Experts invited to participate in the workshop included Indian dignitaries with military or diplomatic expertise, senior analysts of political and economic think-tanks and senior policy officers from the Dutch diplomatic service. The process of scenario building was facilitated by the Scenario Planning Cluster of the Netherlands Ministry of Foreign Affairs. The aim of the workshop was the development of plausible and internally consistent scenarios with an Indian signature, in order to examine or to formulate strategic policy options.

The construction process

The construction process took place in three main stages – divergence, ordering and convergence. In this exercise the *divergence stage* involved the identification of all relevant factors, events and trends. To trigger the discussion the results of twenty interviews on future trends in India were presented. A mixed variety of representatives of the Indian society ranging from academics to politicians, authors and entrepreneurs were interviewed (see the report *Voices from India*). The participants identified factors likely to be relevant to the future of India up to 2020. The end product of this stage was a selection of over one hundred relevant ‘driving forces’, which will together determine the future of India.

At the *ordering stage*, the ‘driving forces’ were first assessed to establish their relevance to our focus and then categorised. Those deemed most relevant but subject to the greatest uncertainties over the next fifteen years (the chosen time horizon for the scenarios) were selected to serve as the basis for the various scenarios. The two factors that were finally chosen as constituting the most appropriate axes for the scenarios were: economic growth and governance (see also the front page of this report). Finally, four scenarios were produced on the basis of these common factors, supplemented in each case by a different selection of other driving forces.

At the final *convergence stage*, the scenarios were developed in such a way that they can be used for a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis for policy recommendations. In each case, an initial framework was developed by identifying an underlying, internally consistent interplay of fundamental forces ('dynamics'). These 'dynamics' are summarised in a diagram that has been added to each scenario story. The actual scenario is constructed by interweaving the description of this interplay of forces with various illustrative events and trends. During the workshop the participants examined the plausibility and internal consistency of their scenarios. After the workshop the scenario writers conducted some marginal checks on content. The scenarios described in this document, however, were kept very close to the ones produced during the Delhi workshop.

Four scenarios

The scenarios bear the following titles: *Jackals*, *Running Elephant*, *Camels* and *Quashed Elephant*. All four scenarios start from the year 2005. They vary in the emphasis they attach to different developments and in the way they use them to construct a fictional future. The scenarios contain elements in all dimensions: social, cultural, economic, political, technological, ecological and demographic. In each scenario, the interplay between these dimensions takes a different course. The table shown on page 17 summarises some of the main differences between them.

Despite all the hard work that has gone into the scenarios, readers are bound to feel that there are gaps: aspects are missing, developments that should have been mentioned or interactions between factors and actors that call for examination in greater depth. This is inevitable, if only because of the scope of the subject. But it is also deliberate. By suggesting developments without going into detail, the scenarios leave room for extra information and alternative interpretation in the same way as our day-to-day experience. They deliberately encourage the users of the scenarios to think more broadly and imaginatively about possible future events, stretching their 'mental models' of the situation. To spur readers' imagination, they describe some developments and events in a summary or caricatured way.

It is up to the users of the scenarios to choose the topics on which to structure a debate on the longer-term future of India. There are plenty of alternatives and the choice will depend on the intended purpose of the debate. To illustrate this point, a number of issues are raised below, each of which can serve to prompt strategic debate on the future of India against the background of the four scenarios in this document:

- What role will India play in the world?
- What are the possible obstacles on India's road to becoming a global economic power?
- How will India cope with its domestic needs?
- Will India be able to address the scarcity of natural resources?

In a world with such complex interdependence it is vital to ask these questions if we are to focus on strategic policy development and look further ahead than a single financial year or period of government. The scenarios in this document demand that we make the seemingly vague explicit, that we seek to order the apparently incoherent and that we translate abstract problems into more concrete terms.

The Future of India - Scenario 1

Jackals



India opens up to the benefits of globalisation, stimulating private entrepreneurship and foreign investments, unleashing economic activity and accelerated growth. Its greater openness to the world has increased its self-awareness and has created an awareness of its potential to become an economic superpower. Its weak and fragmented institutional base and oversized, inert bureaucracy, however, prove unable to cope with the new capitalist tsunami. A weak and ineffective government cannot stem the tide. A new highly profit-driven ‘corporate class’ *de facto* takes over, bending the rules to their own benefit and material gain, while the masses endure poverty.

In a world of few and ineffective restrictions, the business community flourishes as never before. Those who can participate in the economic boom seek to maximise individual wealth and private consumption with little or no consideration for others, societal and religious values, poverty or environmental concerns. In this highly ‘self-interest’ driven world, the rule of law is increasingly marginalised and parties collude in a ‘gold rush’ for their own benefit. Crony capitalism combined with an increasingly corrupt bureaucracy results in an on-going erosion of governmental power, a ‘rubber stamp’ parliament and a loss of confidence in state institutions. In the process, the development of India’s civil society comes to a complete standstill and fades away. Government relinquishes several of its traditional functions to the market. Electoral democracy becomes more or less a façade. The door is wide open for political and economic crime.

These developments lead to accelerated economic growth, driven by an influx of foreign investment. Indian companies become world players: the Infosys – WIPRO merger overtakes Microsoft by 2011. Wealth, however, is distributed very unevenly. Capitalist entrepreneurs (among whom many overseas Indians) and corrupt civil servants benefit (and send their money abroad), others stay more or less in the dark ages. A nation with pockets of

‘What struck me was the almost hopeless situation of the rural residents in Andhra Pradesh. I met Dansukh Puri, 21 years of age and his 19-year old pregnant wife Shaira, who lived in absolute poverty. Without education, proper healthcare and a one-hour walk from the nearest well, they told me their one-year-old son died three months ago after a short illness. Although they didn’t blame anyone for it, I find it a shame that economic superpower India doesn’t provide its own people with adequate facilities. I wondered: how do they get by? To me Dansukh didn’t seem like an animal lover, but he knew all about venomous snakes around this place. He sells samples of poison to a pharmaceutical company that sends a helicopter from time to time. This keeps alive Dansukh’s dream of making more money.’

Extract from:
**‘Indian Encounters of Attenborough Junior’,
National Geographic, Summer 2018**

wealth and low-wage employment possibilities on the one hand, vast areas of tacit poverty on the other: 'islands of growth in a sea of poverty'.

Investments in education, health care and infrastructure are largely restricted to the few high growth 'islands' where not only government but also companies invest in infrastructure, nuclear energy, education, primarily for their own economic benefit. The government has gradually withdrawn from the social sector. This leads to a strong urban-rural divide and male migration to the cities (consequently a feminisation of rural areas) and an increase of slums and crime rates. Health care remains very poor for the masses, with rising HIV/AIDS levels as a highly visible exponent, and illiteracy stays at a high level. This leads to growing social unrest and regular outbursts of violence and counter-violence, with increasing police repression, manipulation of public opinion and control of the media. The social and material divide widens.

Deeptimoy Mathrubootam, 34 years of age, now a wealthy banker in Mumbai, appreciates a good beer and a tennis match. The hobbies of this famous figure in Mumbai nightlife are fast cars and clubbing. Averse to family life, he's a happy bachelor. He has lost contact with his parents and brothers who still live in Piparia, an impoverished rural region. When he left his home village twelve years ago, Deeptimoy hadn't a penny. A good friend got him a job at an Indian mortgage registry office and his life changed fast due to in-company training courses and job-hopping. It's the story of all successful country boys: if you find a 'godfather', a benign employer who offers you an MBA, your career will move upward. Deeptimoy's biggest dream? 'Driving a purple Ferrari'.

Cosmopolitan, 19 December, 2019

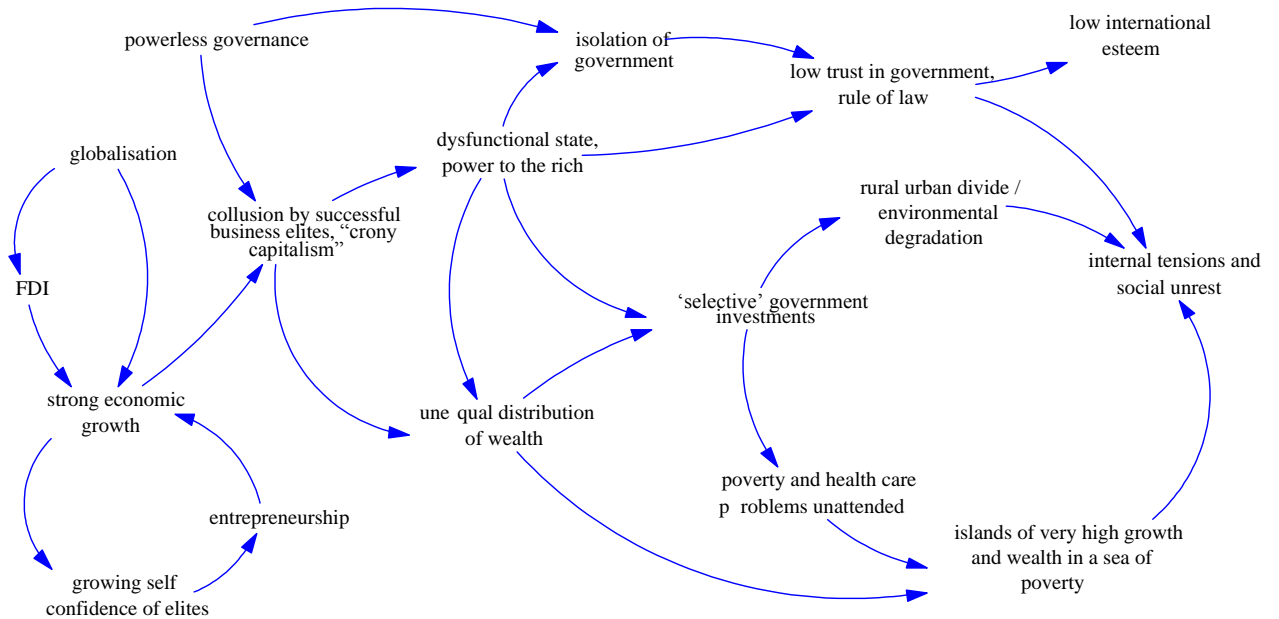
By 2020 India has fulfilled its aspiration to become a global economic power, which is built on a solid international business platform. By 2018 it is one of the world's Top Ten economic powers. It has seen a strong growth of the service sector (IT, financial services, medical services) no longer based only on its low cost capabilities, but also on entrepreneurship and technological capabilities. It has, however, developed at two very dissimilar speeds leading to a strong divide in society: the poor and largely illiterate masses on the one hand and a well protected, very rich 'industrial elite' on the other.

As a result of the quest for individual and corporate wealth and due to a lack of effective countervailing governance, the environment has suffered. Pollution is rampant and natural resources (e.g. water) have become scarce. The quality of life for the masses has deteriorated, India's basic values and spirituality have faded into the background and differences in society have sharpened. Therefore, despite its spectacular economic success, international esteem for



India's achievements is low. India's rating on the Transparency International Index has fallen far below its 2005 position. Is this situation sustainable? By 2020, will India be looking back nostalgically at the India of 2005?

Jackals



The Future of India - Scenario 2 Running Elephant



The advantages of globalisation and rising public awareness concerning living standards awaken an increasingly independent and mature civil society. Its influence on public opinion makes Indian democracy work. This – in the end – enlightens the Indian government and it

initiates large-scale reforms. In 2020 India is a global economic superpower with strong GDP growth. The Indian government convincingly shows the world that its large-scale investments in infrastructure, education and employment have resulted in a valuable and highly self-aware population that has left its communalist past behind.

Watching China's rise, the Indian political elite are convinced that India can and will play an important global role. They wish for global recognition and promote global visibility by feasible demands like a seat on the UN Security Council and continued non-membership of the NPT. These international ambitions both reflect and trigger increasing self-awareness on the part of the Indian population.

India's opening up attracts more than just foreign direct investment. Increasing exposure to television and the media, as well as contact with members of the Indian 'diaspora' who work and live overseas, raise public awareness of living conditions abroad, of opportunities for individuals and of the values and norms of other societies.

The voices of both civil society and the business community become louder and push the Indian government to get rid of its inert constraints and to initiate large-scale reforms. Further regional economic cooperation is pursued. However, there is increasing political understanding that a sole focus on economic growth is not enough. It is agreed that reforms are an absolute necessity to tackle deficient infrastructure, poor healthcare facilities and the high level of illiteracy. To prevent outbursts of deprivation in the

India Is On the Move

This rise in public awareness combined with increasing self-consciousness triggers multiplier effects in Indian society. It awakens an increasingly independent and mature civil society. Its influence on public opinion makes Indian democracy work. The 2005 Freedom of Information Act, for example, helps NGOs monitor transparency and check government actions. Corrupt politicians and favouritism are attacked by increasingly scrupulous public opinion. By late 2007, political and judicial reforms seemed inevitable. As the Indian entrepreneurship provides big gains, the business community has growing demands to keep the spirit of progress going on. They motivate and encourage the government to facilitate a free trade environment. This also promotes the interests of the Indian 'diaspora' and the young Indian workforce.

Political Review, May 2008

poorer (rural) regions, the central government – mostly in close cooperation with state-level governments – initiates employment programmes to address the regional differences in economic growth. This means large-scale investments in infrastructural projects that should ensure distribution lines and education programmes to raise literacy.

Government officials realise that the unbalanced character of economic growth has to be addressed. The government approach favours an inclusive growth. On the one hand India should attract more FDI, and on the other, a locally-oriented technology-driven path for growth and development should be followed. The government subsidises R&D projects that apply technology to the needs of the common man to alleviate poverty. They launch an incentives policy on innovation with the motto ‘experimentation and failure are OK’. This brings forth many success stories that help India cope with mind-bending problems like energy security and public health. In 2014 an HIV/AIDS cure is discovered in Chennai.



In the meantime the virtuous circle in Indian society continues. Bottom-up initiatives and a rich diversity of entrepreneurial initiatives are nourished by the pluralist nature of Indian society. More and more NGOs and lobbyist groups request more responsible governance, especially with regard to environmental issues, food security and malnutrition. Deprived women organise themselves and pose a strong lobby to enhance women’s empowerment and to urge more gender balance in general.

A lot has to be done, but limited government resources require a sequential approach. Dealing with conflicting public interests the government has to make difficult choices in sequence. These choices inevitably hurt and they occasionally result in protest marches or temporary social tensions. For instance, following the decision to construct two new nuclear power plants, thousands of activists protest in Delhi.

Convinced that the future can be manipulated, India declares itself the future economic driver of the world economy. The Indian government regards its large young population as a future asset. It is believed that large-scale investments in education will provide an educated low-cost workforce that will be compatible with global economic needs, especially in the face of ageing workforces in Europe, Japan and China. Plans for a common Asian currency are put forward in 2017.

Indian appointed as World Bank Head

The Washington Times, July 2018

When the world notices the successful impact of India’s

domestic reforms, it truly recognises India’s great potential. India’s esteem rises as it shows the world its responsibility in taking the lead in the fight against world poverty, by

offering its Indian-style approach to development and democracy and dedicating low-cost technological advances to underdeveloped countries.

Along with economic power, India will be a stronger military power with a competitive military-industrial complex exporting both lethal and non-lethal weaponry. India will be a leader in missiles; a beginning has already been made with the sophisticated 'Brahmos' all-purpose cruise missile. Satellites, collaborative launches and space exploration for peaceful uses will be another Indian specialty.

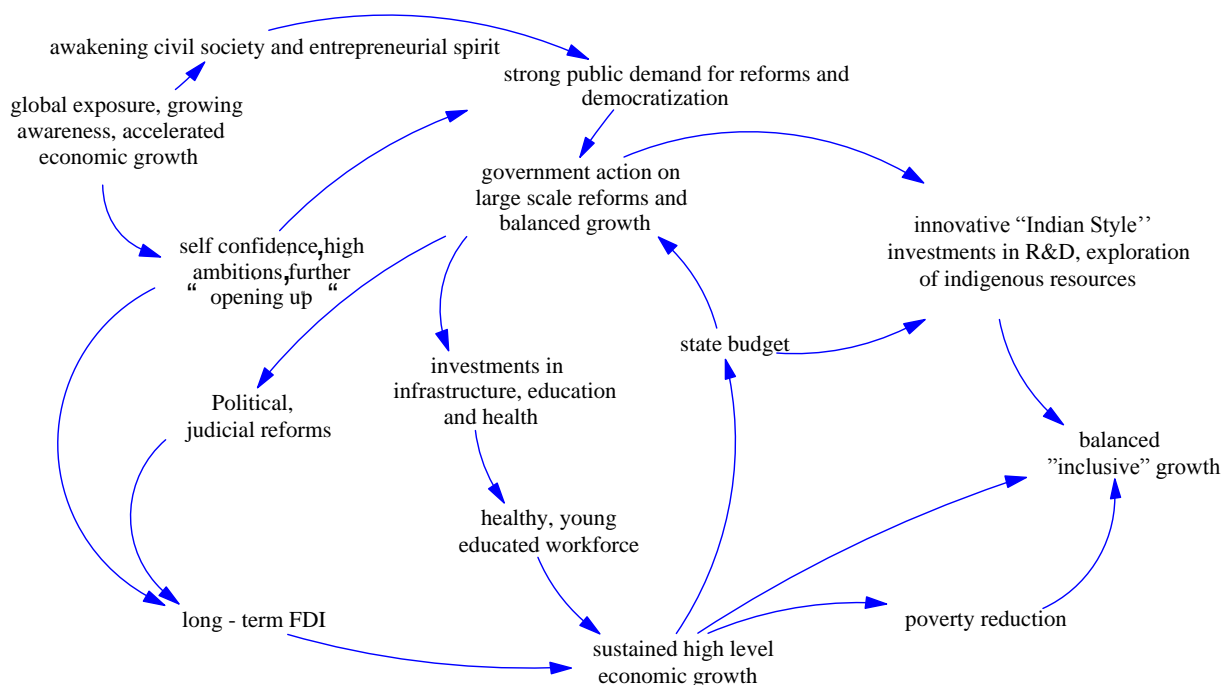
India is increasingly being acknowledged as a global player in diverse fields, ranging from services to technological aspects. Many Indian MNCs & firms have grown into world-status TNCs dealing with Information Technology, Communications & Entertainment. The other areas where India has earned an undisputed name are: pharmaceuticals, biotechnology, nanotechnology, finance, banking & telecommunications. India is also increasingly gaining a foothold in manufacturing in overseas markets.

The Economist, December 2019

But India's greatest strength and asset by far is its youthful population, with the majority below 30 years of age. Tomorrow's weapon is information and 'knowledge power' and India will be in the forefront to apply it.

By 2020, India is a global economic superpower with strong GDP growth. The Indian government convincingly shows the world that its large-scale investments in infrastructure, education and employment have resulted in a valuable and highly self-aware population that has left its heritage of communalism behind.

Running Elephant



The Future of India - Scenario 3 Camels

India chooses its own way after a sharp worldwide economic slowdown, triggered by an oil price increase and aggravated by a series of failed monsoons. The Indian government reacts responsibly: basic needs and opportunities for its poor majority are protected, at the cost of a budget deficit and a 'Hindu Rate of Growth'. By 2015 governance and equity have greatly improved; India cautiously opens up to a recovering world economy.



India's recent past has been considered moderately, but not spectacularly, successful and has brought relative stability on several fronts. Besides a decent economic performance, civil society has become stronger, a freedom of information act has been passed and confidence in government is gradually rising. In 2007 a new coalition government is elected, which can count on a comfortable majority in Parliament.

In 2005 the government found itself confronted with some major dilemmas with respect to India's future. On the one hand its increased openness to the world and subsequent economic successes have increased self-awareness and have raised high hopes and expectations for economic and world political success. 'India Superpower', as some authoritative economic reports promote. But on the other hand there are fears and doubts as to whether full economic expansion is the way to go for India. What are the dangers, the unwanted side effects, of this tempting path that might lead to a better life for many?

India has been keeping a sharp eye on developments in China. China has experienced soaring economic growth: what many Indians call the 'Shanghai model'. Is that the example for India? Clearly, China's economic growth is felt to be hiding a multitude of problems. Unlike India, China is considered ruthlessly anti-democratic, not driven by a concern for the greater good, but by what is good for maintaining party control. Is there another approach to economic success and a better life for India's poor, a more prudent, more balanced, democratic, value-oriented 'Indian way'?

And then the world economy slows down, triggered by the sharp rise in oil prices. The consequences for India are severe. The economy stagnates with inflation and depressed demand for Indian goods and services, both internally and overseas. Foreign direct investment is strongly reduced and outsourcing to India is also down. Remittance inflows diminish and unemployment, including among university graduates, is on the rise. A couple of failed monsoons aggravate the situation. 'India Superpower' is no longer on the cards and the government is exploring ways to best protect its citizens from adverse consequences.

Facing the new reality with slow growth and reduced tax revenues, the Indian government decides to go for a 'responsible' policy that concentrates on internal development and on protecting the public. This requires considerable sacrifices. Tax rates are increased and the tax net is widened, allowing, however, in return an increase of subsidies (e.g. for public transportation) and more spending on social security.

The government also stays firmly committed to achieving the Millennium Development Goals, which necessitate substantial outlays for education and health. Furthermore, India's inadequate infrastructure requires considerable investments from the government.

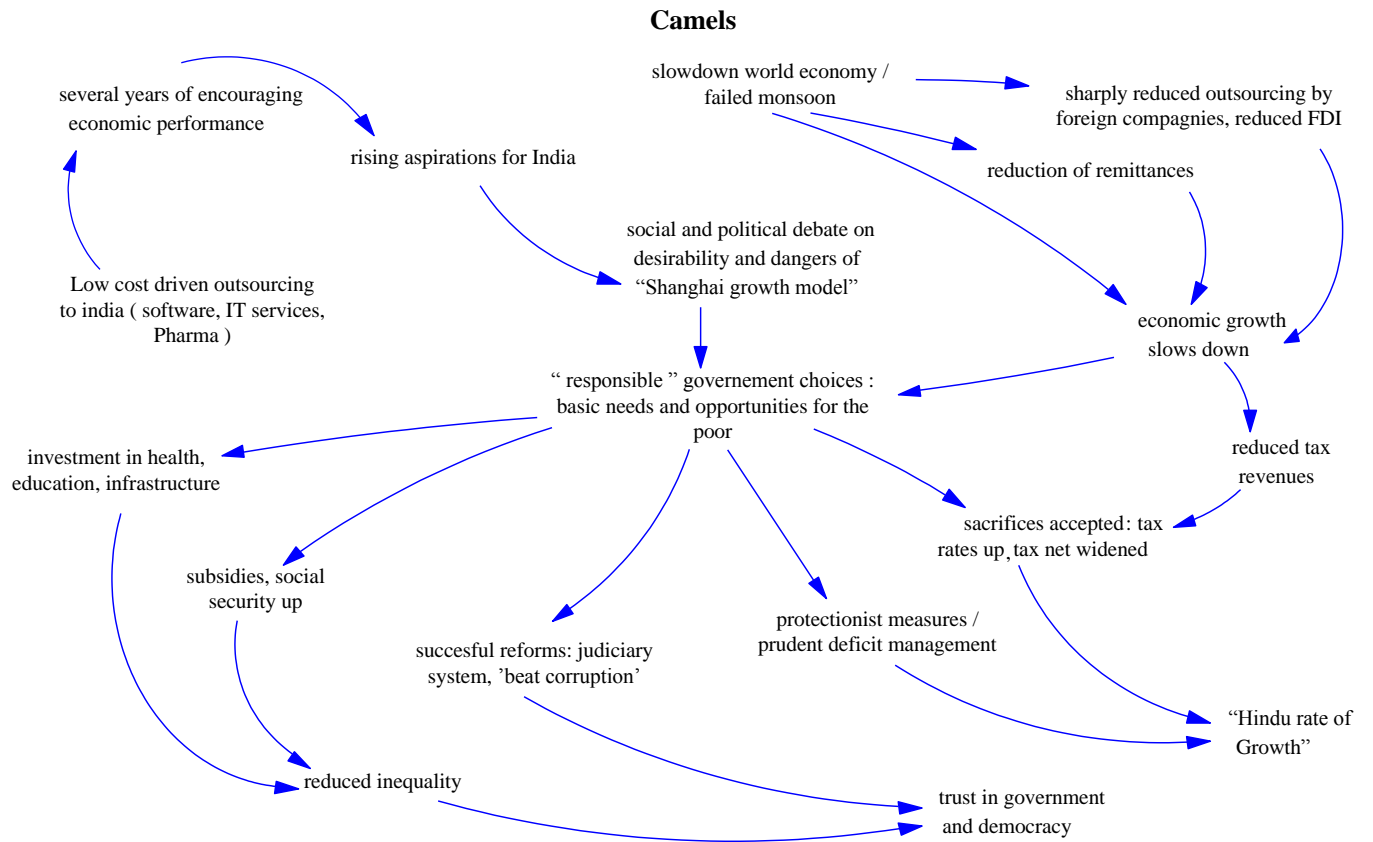
All this requires high budget outlays, which result in a sizeable national budget deficit and protective measures, such as foreign exchange controls and tariff adjustments to protect the sluggish economy, further reducing foreign trade and investment. GDP growth falls to 3-4%, the 'Hindu Rate of Growth' well known from the Eighties. But whereas India slides back to the old days economically, there are some notable differences. Confidence in government is high and its institutions have grown in strength. Corruption is down and is kept down. The judicial system has much improved. Democracy is considered a valuable asset to society. Civil society is promoted by government and plays a vibrant intermediate role.



'Particularly significant has been the upward jump in India's position on the Human Development Index list over the past decade. Standing 127th in the 2004 report amongst countries like Guatemala, Morocco and Botswana, it moved to 70th place (occupied by Ukraine in 2004). This is all the more striking against the background of India's relatively slow economic growth, the so-called 'Hindu Rate of Growth'. Once again it shows the weakness of per capita GNP as an indicator of well-being; life expectancy, education and GDP/PPP per capita are much more to the point in reflecting the country's great strides and resilience in a world in turmoil.'

UNDP Human Development Report 2015

By 2015 India has managed to create a balance, be it at a much lower level than it aspired to 10 years earlier. Basic needs are met: newspapers speak of 'evenly distributed poverty'. India has made heavy sacrifices, but has also made basic investments – in education, health care, infrastructure, judicial and electoral reforms. India realises, however, that reforms take time to establish themselves firmly and a lot still needs to be done: at least till 2020 it prudently resists the temptation to open up too quickly as the world economy recovers.



The Future of India - Scenario 4 Quashed Elephant



After a political crisis set off by a rise in oil prices, the UPA government falls. Subsequent short-lived governments are unable to show strong, coherent leadership, important national policies stagnate. India slowly degrades economically, politically, socially and environmentally. A series of bad monsoons further aggravate the situation. Terrorism and disputes over water and energy resources prompt a new military conflict with Pakistan. The lack of investments in infrastructure and healthcare provision take their toll on the growing population. Extensive flows of migration from the countryside further harm the population in the cities, SARS and HIV/AIDS take many Indian lives.

The deficiencies in Indian politics, which are increasingly regionalised and fragmented, are already showing, but begin to take their toll in 2007. A crisis in the Middle East leads to a sharp increase in oil prices to \$100 and India faces a dilemma: pay or buy less. Both are equally unattractive. A furious debate breaks out within the UPA government between those who favour a return to protectionism and increased subsidies and those who favour continued economic reform to avoid spiraling debt and inflation.

Row over subsidised energy brings Indian UPA government down - A row over subsidised prices for diesel, kerosene and gas has brought down the UPA government in India, with the left withdrawing its support. It has also led to an acrimonious split within Congress. The party has split into two factions: one in favour of economic reform; the other on a more left-oriented 'pro-poor' platform. The early elections have come too soon for the BJP, which has descended into internal leadership squabbles and has made a swing back to its hardcore Hindutva roots.

International Herald Tribune, June 2007

The national elections in the autumn of 2007 bring a staggering defeat for both the BJP and the two Congress factions, making a new 'Third Front' government feasible. However, personal ambition and the fundamental problem of merging regional and caste-based interests into effective national policies cause the resulting Third Front government to fall within a year. This turns out to be but the first of a long series of short-lived governments.

The lack of strong, coherent leadership at the centre leads to stagnation on important national policies. A number of issues such as necessary economic reform, infrastructure improvement, environmental degradation and reform of the bureaucracy are simply not addressed with the required vigour and the states are largely left to fend for themselves. The lack of administrative reform means that the policies that are adopted are poorly implemented. Politically motivated protection of those accused of corruption undermines

the fight against corruption and particularly in the weaker states the quality of public governance and rule of law deteriorates further.

These factors, combined with a global economic downturn, lead to a decline in FDI in India. Exports are minimised and the fiscal deficit and inflation are on the rise. The well-educated and wealthy Indian 'diaspora' does, however, continue to invest in some relatively stable states. Inequalities in attracting FDI contribute to the growing disparities between states and aggravates social division. Economic growth gravitates back to below the 'Hindu Rate of Growth', rarely topping 3%.

The agricultural sector, being largely dependent on subsistence farming, represents a very fragile group and is hit hardest. Growing rural poverty leads to substantial migration flows to urban areas. Uncontrolled urbanisation is the result. The situation is aggravated by three consecutive poor monsoons in the summers of 2008-2010 leading to severe water shortages in the north of India and heated disputes between states over access to water resources. As a consequence large parts of Delhi go without water for weeks on end in the summers of 2009 and 2010 and drinking water has to be brought in by trucks at great expense.

The water shortages lead to internal migration from the dry northern states to the cities and relatively prosperous states in the south. On top of this internal migration comes external migration in the form of increased legal and illegal migration from Bangladesh into India and from Nepal due to the continuing political turmoil in that country. These large-scale population movements lead to tension between newcomers and the original population, and occasionally provoke violent clashes over access to land and jobs, particularly in the rural areas and certain cities. Triggers for these outbursts may be communal, ethnic or socioeconomic.

India surpasses South Africa as the country with the highest number of HIV/AIDS victims

The Washington Times, May 2014

Due to the lack of hygiene and healthcare provision in the cities, which cannot cope with the influx of people, an epidemic of

SARS breaks through from China to India. Although the disease is initially brought under control within a few weeks it flares up again and again in different cities as an effective national policy is lacking. Foreign trade with India is severely affected and multinationals pull out. The fight against HIV/AIDS, which in the early 21st century was still of manageable proportions, suffers from a lack of coherent national policy.

Tensions between India and Bangladesh run high due to disputes over water, migration and alleged support from Bangladesh to separatist and terrorist organisations in India. Efforts by the Indian army and BSF to stem



the flow of immigrants from Bangladesh lead to clashes with the army of Bangladesh. Although the governments of both countries manage to stave off an outright military confrontation, the situation settles into an uneasy stand-off with regular incidents along the border.

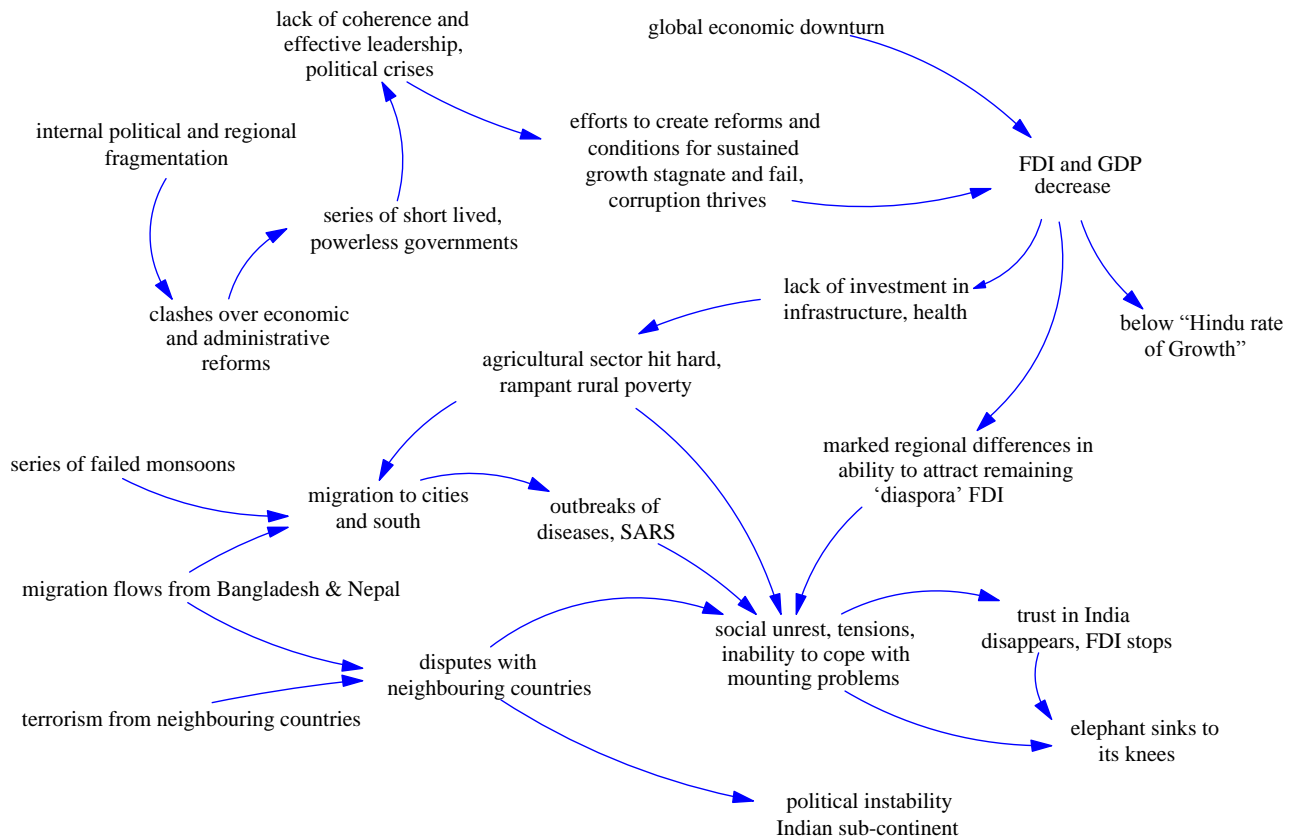
At the same time the Indian army, much against its will, has been slowly drawn into the internal conflict in Nepal. After the first casualties among Indian military advisors in Nepal, historical parallels are drawn with Sri Lanka and Nepal is sometimes referred to as 'India's Vietnam'.

The peace process with Pakistan stagnates, as subsequent Indian governments are too absorbed by internal issues and too short-lived to build up the trust necessary to push the process forward. When the fifth attempt on the Pakistani president's life succeeds in 2009, a new Pakistani government emerges which is more Islamist in nature and tries to undo moves towards normalising relations with India. In 2011 the Baglihar dam in Jammu & Kashmir is destroyed in a massive terrorist attack. India blames the Pakistani army, while Pakistan speaks of an action by Kashmiri 'freedom fighters'. As a consequence all crossing points along the Line of Control are closed and shelling resumes across the LoC.

Internal political instability and the tension and instability in South Asia undermine India's international stature. The coming and going of Prime Ministers and foreign affairs ministers mean that India cannot play a credible role on the world stage. After its failed bid for a permanent seat on the Security Council in 2005 and 2006 (largely due to fierce Chinese opposition to a Japanese permanent seat, which stalled the reform process) India's attempts to secure this permanent seat become increasingly lacklustre.

India's path towards 2020 is paved with good but weak intentions that are not turned into reality. As expected, this is caused not by any single factor but the sheer size, complexity and diversity of the problems. Little is left of the optimism and confidence at the start of the 21st century. The elephant that seemed so promising in 2005 has spent its energy and sinks to its knees, unable to get up, let alone walk or run.

Quashed Elephant



	Jackals	Running Elephant	Camels	Quashed Elephant
international role	<i>small, low international esteem</i>	<i>economic superpower, UN SC seat</i>	<i>inward looking, protectionism</i>	<i>diminished</i>
economic growth	<i>non-inclusive 10-11% - driven by FDI & private entrepreneurship</i>	<i>inclusive growth 11-12%, technology-driven</i>	<i>3-4%, inflation, huge budget deficit</i>	<i>3% stagflation</i>
FDI	<i>influx, crony capitalism</i>	<i>especially on services</i>	<i>strongly reduced with slow-down outsourcing</i>	<i>very low: too dangerous to invest</i>
Pakistan	<i>good trade relations</i>	<i>economic integration</i>	<i>status quo</i>	<i>military conflict</i>
population growth	<i>feminisation rural areas</i>	<i>controlled growth</i>	<i>considerable growth</i>	<i>drastic uncontrolled growth</i>
infrastructure	<i>improved in urban areas, investments restricted to 'high growth islands'</i>	<i>highly improved by large-scale investment projects</i>	<i>considerable improvement by government investments</i>	<i>deteriorated by stagnated public investments and reforms</i>
corruption	<i>rising, corrupt bureaucracy</i>	<i>more transparent, under control</i>	<i>more transparent, under control</i>	<i>all-time high</i>
energy	<i>urban consumerism & rural scarcities</i>	<i>new indigenous energy resources, energy security</i>	<i>exploitation natural resources</i>	<i>water and energy shortage</i>
migration	<i>rural divide, male migration to cities</i>	<i>remigration diaspora</i>	<i>moderate mobility</i>	<i>from dry Northern states to South</i>
environment	<i>pollution natural resources, water scarcity</i>	<i>exploitation natural resources</i>	<i>muddling through?</i>	<i>environmental degradation</i>
literacy	<i>large illiterate masses outside city centres</i>	<i>education for all: largely literate population</i>	<i>improved literacy due to large investments in education</i>	<i>high, large illiterate masses</i>
poverty	<i>sea of poverty</i>	<i>poverty reduction</i>	<i>evenly distributed poverty</i>	<i>greatly impoverished population</i>
HIV/AIDS	<i>visibly rising</i>	<i>Indians discover AIDS cure</i>	<i>no serious slowdown, but health care improved</i>	<i>great outburst, India highest number of infected people</i>

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