

Inclusive Economic Development: The Way Ahead for India

THE CURRENT GLOBAL RECESSION HAS affected businesses in nearly every industry and geographical region; it has also had a wide impact on societies around the world. Taking decisive action to reprioritize during any slowdown is a key focus for companies and countries, and we are all in the process of taking necessary measures that will enable us to adjust to today's reality. It is fundamental, however, that we do not allow short-term challenges to distract us from planning for long-term opportunities to achieve sustainable growth.

Over the last decade, India has emerged as a significant economic force, and with a projected GDP growth of seven per cent for 2010 we are still one of the fastest growing economies globally. In keeping with this optimism, India's 2009-2010 budget focuses on moving towards a faster and more inclusive growth—a plan that seeks to lower poverty by 10%, generate 70 million new jobs, and reduce unemployment by 2.5 %.

At this point, India is faced with a unique opportunity to nurture economic prosperity, and ubiquitous broadband access is a key part of the solution. By investing in the development and acceleration of a national broadband infrastructure, we can provide Internet access to all citizens. By extension, this would mean that we can create jobs, provide better access to health care and education, connect small business owners to new customers, and even create a middle class that will raise the standard of living and the national GDP.

The government has focused on new reforms and development schemes that concentrate on energy, security, infrastructure development, agriculture, transportation, science and technology, and education. In addition, an increase in government expenditure is set to create infrastructure assets and boost rural prosperity. These steps take us towards empowering rural India with economic zeal, by augmenting demand through spending on infrastructure and inclusive schemes like the National Rural Employment Guarantee Scheme (NREGA) and the Universal Service Obligation Fund that could help connect every district with fiber-optic pipes.

However, such initiatives cannot translate into poverty alleviation unless the government and private organizations work together to bridge the divide between rural and urban India. To succeed, we need a collaborative partnership businesses working alongside health-care providers, educators, governments, and nongovernmental organizations. Only by

providing the means for people everywhere to access broadband—from the most remote villages to the densest urban centers, can we have the potential to experience a truly connected economy.

For this transformation to happen, we need to shape our population towards a knowledge-based society. By using technology to facilitate access to basic amenities, we can accelerate towards inclusive, equitable and sustainable growth. Just imagine the positive transformations that can take place if we connect villages with broadband technologies, and use Information and Communication Technologies (ICT) to make people more information inclusive!

Several IT majors along with the State Government of Rajasthan have already come together through the Rajasthan Education Initiative (REI) to accelerate IT education for both teachers and students. Various leading financial institutions like State Bank of India, Union bank of India and Bank of India have also made a significant difference to lives in rural India by setting up Internet kiosks as banking outlets in villages, thereby encouraging banking habits among the rural masses. In the area of health, telemedicine has made available video and high speed data transfers that allow patients to consult a specialist doctor who is miles away. Such initiatives have proven instrumental for enabling developing and middle-income economies to leapfrog to higher stages of development by fostering economic and social transformation.

Yet it is clearly in traditional sectors like agriculture that the maximum difference needs to be made. Agro-industry and small rural industries are leveraging ICT to trade better as well as for knowledge and training. One such example is Dr. Reddy's Foundation's Livelihood Advancement Business School (LABS) initiative in various states. This project, in partnership with Cisco, creates a sustainable livelihood and growth for the underprivileged and marginalized youth.

Looking ahead, as the government focuses on development initiatives, we also need to track emerging technologies, strengthen current investments, adopt best practices and look to further build strong public-private partnerships. ICT is hailed as a vital component of the "new economy" and the information revolution, can transform the way we work, live, play and learn. Let's rise to the challenge, and in doing so, raise the quality of life—and our economic prosperity, for generations to come.



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