

# Messages for Bangladesh from Ashoka Mody's 'India Is Broken'



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MANZOOR AHMED

A new book by economist Ashoka Mody, visiting professor at Princeton University, titled *India Is Broken: A People Betrayed, Independence to Today*, has created a stir in the talk show circuit as well as print media in India. Originally published by the Stanford University Press, the paperback version is subtitled *And why it is hard to fix*. Prof Mody contends that all of India's leaders, from the founding Prime Minister Jawaharlal Nehru to the incumbent Narendra Modi, have placed the country's national development on a wrong trajectory that has failed to meet the needs and aspirations of its people. Is this a storm in a teacup? And are there lessons from it for Bangladesh?

The main, sometimes complex, arguments of the 600-plus page book have been expressed in simpler terms in Mody's conversations with some of the webinar hosts. Citing Japan's Meiji restoration in the 1860s, post-revolution Russia, and China and South Korea of recent times, he says, "Every successful country has educated its children and has brought its women to the workforce. Quality basic education for all children is the key, there is no exception to this rule." India has failed in this respect, he says.

This is not so for a lack of policy, Mody says. Universal basic education was proclaimed as a policy early on. Though progress was slow, by around 2000 most children were enrolled in school. But, even today, most fifth-graders cannot do second-grade maths or read a second-grade text. After 75 years of independence, more than a third of the young population in India do not complete secondary schooling, and those who complete it, go to colleges where real learning hardly happens.

Taking a historical perspective, Mody asserts that Nehru, despite his progressive ideas about development and his vision about a democratic, egalitarian and secular India, failed to grasp the critical importance of basic education for the young as the building blocks for such a society. He did not heed the messages of Rabindranath Tagore and even Mahatma Gandhi, who had underscored the need for a new education for the new generation infused with a moral purpose and equipped with essential skills and capabilities for life and work.

Nehru opted for creating a number of world-class tertiary institutions concentrating on science and technology in the form of the Indian Institutes of Technology and Indian Institutes of Management, instead of world-class school education. These institutions indeed earned international names. But without the foundation of quality basic education for the population, these became institutions for the elite, supplying personnel to multinational corporations and providing CEOs and top managers to dozens of Fortune 500 companies. Renowned scientist Meghnad Saha said the IITs eviscerated the university system of India.

The benefits of the elite institutions did not reach the masses of India and did not serve the goal of designing and implementing the social and economic development strategies for a democratic, equitable and secular India. Incidentally, Mody and his spouse are both products of IIT and in due course moved to the United States to pursue their illustrious careers.

The educational priorities were of a piece with Nehru's economic development agenda, Mody argues. Nehru's economic planners shunned the job-creating, labour-intensive economic model that could move low-earning and low-productivity agricultural workforce to labour-intensive manufacturing, and take advantage of the post-World War II global export boom. Instead, they opted for government-owned heavy industry, which Nehru called the "temples of new India," to build the base for self-sufficient industrial development. The Chicago school monetarist and Nobel Laureate Milton Friedman was a consultant for India's second five-year plan. Friedman wrote in 1955 opposing the reliance on the extremes of heavy and cottage industry, at the cost of labour-

destroyed livelihood of fishermen, decimated community pastureland, and ravaged mangroves. Gautam Adani is a poster boy of the Gujarat Model. Prof Mody notes that he was a favourite of the regime, whose petrochemical plant built with multiple state subsidies increased the GDP of the state and his own wealth, but created few jobs, raised incomes for only a few common citizens, and chalked up a huge carbon footprint that is not even counted.

Is there a lesson for Bangladesh from the unvarnished account of India's development journey? The trajectory has not been the same. Bangladesh's journey as a nation began a quarter century later in 1971. Then a decade and a half was lost with military rulers holding back normal social, economic and political evolution of a democratic nation. Only in 1990, with the restoration of elected government, did a semblance of normal statecraft resume. It can be said that continuity in governance has existed since 2009 with the current prime minister heading the government.

There are, however, uncanny similarities with India in the broad sweep of economic, education and social development – albeit over a shorter span of time. Most observers would agree that progress in human development in terms of basic education and healthcare has been in terms of numbers with huge deficiencies in quality and outcome. The majority of Class 5 students not being able to do Class 2 level reading or maths is a familiar story in Bangladesh. Jobless growth, unliveable cities, polluted air and water, pervasive corruption, growing inequality and polarised politics are our stories as well. So is the single-minded focus on GDP growth,

intensive light manufacturing. Both were highly inefficient because the former deployed capital with too little labour – in spite of India's comparative advantage in labour – and the latter used labour with too little capital to be competitive.

Prof Mody argues that the metric of decent job creation – jobs that pay a living wage and secure basic rights and protection of the worker, even in the context of the large informal economy, and not the GDP growth rate – should be the main measure of development.

Nehru, a man of high idealism, fell short in translating his idealism into practical policy and action, as Mody saw it. Nehru deliberately chose to neglect the goals of human development and not do what was needed in basic education and basic healthcare to achieve the human development objectives, though 60 percent of the population remained in abject poverty. The lip service instead of real action on human development intensified with the neoliberal market approach adopted by India since the late 1980s. The acceleration of GDP growth, shifting upwards from the "Hindu rate" of around three percent, validated the approach of jobless, climate-damaging and inequality-generating economic growth along with the neglect of peoples' education, health, decent jobs, clean air and water, and liveable cities.



# India Is Broken

A PEOPLE BETRAYED, INDEPENDENCE TO TODAY

## Ashoka Mody



In the largest democracy in the world, its façade and form existed, not the spirit, and it betrayed the people, asserts Mody, because the education, health and jobs that the people wanted were not delivered.

The objective contemporary view of the early post-independence Congress rule, Mody explains, was that the leaders and cadres, with some exceptions, were "a bunch of crooks." Nehru and those who came after him to head the government knew this, but were incapable and unwilling to stand up to this debasement of politics. "The arc of moral degeneration" that arose early widened further over the years.

Moving fast forward to the present, the vaunted Gujarat Model was hyped up with Narendra Modi as the state's chief minister in 2001-14. Since Modi became the prime minister in 2014, it has been presented as the model for India. Prof Mody describes it as "marauding development on steroid." It is not development that serves the people, but a bonanza for business, taxpayers subsidising favourite industrialists who created no jobs, caused great damage to waterways,

with not enough attention to jobs, climate, the distribution effects and the destructive impact of crony capitalism.

In his webinar, citing examples of East Asian countries, Prof Mody also mentioned Bangladesh's progress in some of the social indicators, moving ahead of India, especially in women's participation in the workforce and their access to education.

What is Prof Mody's response to the question – how can it be fixed? His answer is conditional. Those who believe in India's dream have to devote themselves to bringing about dramatic change in the course of development – creating jobs and protecting the environment, empowering people with real basic education and health outcomes. Effective actions in these areas, Mody argues, call for massive decentralisation of governance, bringing decision-making and accountability closer to the beneficiaries, giving them a say in these matters. Those who believe in Bangladesh's dream would do well to pay heed to the same counsel.



ILLUSTRATION: BIPLOB CHAKROBORTY

## Time to make climate funds part of mainstream finance



### POLITICS OF CLIMATE CHANGE

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SALEEMUL HUQ

The problem of global climate change has already gone through two eras and has now entered the third era. The first was the era of mitigation; the second was the era of adaptation; and now we are in the era of loss and damage from human-induced climate change. Mitigation and adaptation are still prevalent issues, and now we have to deal with loss and damage.

How are we going to deal with all these evolving climate issues, and what kind of finance is needed for that?

Over the last two decades, there has been some progress in setting up different funds for dealing with mitigation and adaptation. These funds are already operating, although the scale of funding is still quite inadequate.

The funds that were created under the United Nations Framework Convention on Climate Change (UNFCCC) so far include the Adaptation Fund, the Special Climate Change Fund, and the Least Developed Countries Fund (LDCF) – all using the Global Environment Facility (GEF) based in Washington, DC as their secretariat.

Then, later, the UNFCCC created another, bigger fund called the Green Climate Fund (GCF) with its own separate secretariat and board based in Songdo, South Korea.

These funds have received and disbursed tens of billions of US Dollars to developing countries over the last two decades. However, they still have a hard time getting replenished by the developed countries who have promised to provide the funding for all of them. In fact, the developed countries promised in 2015 as part of the Paris Agreement to provide \$100 billion every year from 2020 onwards to tackle mitigation and adaptation.

Unfortunately, 2020 has come and gone, but the \$100 billion goal was never reached. The developed

countries now promise to deliver it from 2025 onwards. Another anomaly in the proportion of funding that was actually delivered was that over 80 percent of it went to support mitigation while only 20 percent went to support adaptation, whereas the expectation was that the division would be 50-50.

This anomaly was addressed at the 26th annual climate conference (COP26) in Glasgow, Scotland in 2021, where the developed countries promised to double the proportion of funds allocated for adaptation

**Among the issues to be resolved is where the funds could come from, without cannibalising the funds for mitigation and adaptation, which are already inadequate. There are some interesting, innovative options, such as taxing polluters like fossil fuel companies and air and sea transport.**

in the most vulnerable developing countries. This promise is also yet to be fulfilled.

Then at COP27 in Egypt last year, there was a breakthrough agreement to set up new funding arrangements to address the loss and damage caused by climate change. A Transitional Committee has been set up to work on the options and present their recommendations at COP28, scheduled to be held in Dubai in December 2023.

### CROSSWORD BY THOMAS JOSEPH

**ACROSS**

1 Use the tub

6 A+, e.g.

11 Continental

12 Egypt neighbor

13 Casino fixtures

15 Arthur's step-brother

16 Objective

17 Language suffix

18 Clerical errors

20 Choir singers

23 Turn red, maybe

27 Look upon

28 "The Naked Maja" painter

29 Venomous viper

31 Canary sound

32 Bona fide

34 Mud bath site

37 SUV or sedan

38 Me, to Michel

41 Bits for Fido

44 Districts

45 Permitted

46 Karate levels

47 Cast out

**DOWN**

1 "Loser" singer

2 Mystique

3 Serving aid

4 Bunny move

5 School papers

6 Elegant beauty

7 Chest bone

8 Qualified

9 Colors

10 Move slowly

14 Pointer

18 Drying need

19 Vision

20 Director

DuVernay

21 Pot part

22 Baseball's

Williams

24 "Lenore" writer

25 Iris setting

26 Catch some z's

30 School break

31 Compass creation

33 Tank fill

34 Rough guess

35 Cut down

36 Cain's brother

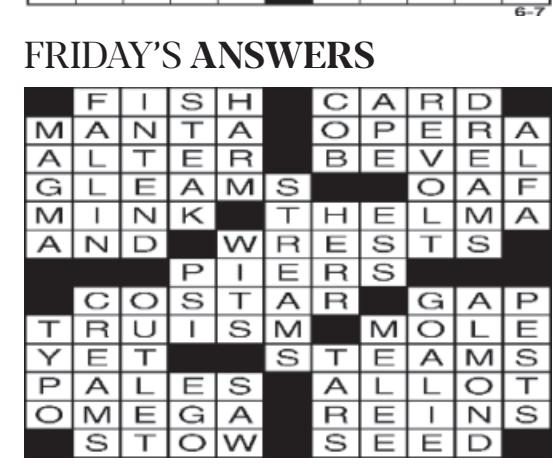
38 Christmas travelers

39 Milky gem

40 Map dot

42 Back muscle, for short

43 Writer Stout



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