Twenty

Modern vs. Western

It is only the modern that ever becomes old-fashioned.

—OSCAR WILDE

Our continuing inability to distinguish between the "modern" and the "Western" is surely the cause of some of our grief. If we could only accept that a great deal of modern Western culture is no longer the property of the West but a universal, critical way of thinking which belongs to all rational, civilized human beings, we would not suffer quite as much. We would conserve our energy for better things rather than waste it on swadeshi, Hindutva, national language debates, U.S.-bashing, multinational-baiting, and other futile activities. The debate between modernization and Westernization, begun in the early nineteenth century by Rammohun Roy, continues to rage in India today, especially with the ascent of the Bharatiya Janata Party (BJP). The verbal confusion makes us ambivalent about foreign trade and investment. It makes us clamor for protection in a globalizing world. It slows our responses to the economic reforms and delays our ability to create a competitive economy. At the root of the issue is a legitimate fear of the loss of Indian tradition, culture, and way of life. But the fear is often a symptom of an inferiority complex apropos the West, especially with the older generation that is in power.

Ironically, some of our nineteenth-century intellectuals understood this distinction well and used it to critically examine our tradition and shake off the institutions and practices which had deformed its spirit through centuries of stagnation and superstition. Equally, the younger generation today seems self-confident and pragmatic, and does not suffer from colonial hang-ups. My neighbor's daughter, for example, is an exporter and a daily participant in the global economy. No matter what her customers' nationality or where they are located, she receives and answers queries in English, quoting her prices in dollars, while employing Windows software. She does not feel diminished because "English" is also the national language of England, "dollars" is the national currency of the United States, or that "Windows" originated in Seattle. In her functional world, English is the universal language of commerce, dollars the currency of global trade, and Windows is an enabler of communication.

When I was twelve, my aunts used to talk endlessly about our attractive neighbor in middle-class Delhi. "You mean you don't know her? She is such a modern lady—she smokes, she drinks, she even dances with men." After a year we moved and left our neighbor behind, but I grew up with a wrong conception of the "modern." To my aunts, "modern" was a derogatory word, meaning someone "Westernized," with false and superficial values compared to our traditional, God-fearing ways. My aunts' usage was not unusual. I came across an advertisement in the *New York Review of Books* in 1965 about an "ardent novel, available only by mail." It went on to describe the book as "the story of a *modern* American marriage." By "modern," the advertisement suggested something not particularly

agreeable—as having to do with "the ambition, aggression and infidelity of women."

In college, I discovered that "modern" was not necessarily something negative or Western. The word as we use it today originated in nineteenth-century Europe when dazzling changes occurred in Western society. Economies became industrialized, nation-states came into being, social democracy arose, national bureaucracies emerged, and the world saw the beginnings of mass society. In trying to make sense of all these revolutionary changes, historians concluded that they were interconnected. For lack of a better word, they called it "modernity." Moreover, they linked these changes to the broad acceptance of a set of values and institutions which they termed "modern." The values had flowered in the eighteenth-century Enlightenment and the French had fought their revolution for "liberty, equality, and fraternity." Among the values were also individualism, rationality, a secular (nonreligious) temperament, the rule of law (rather than loyalty to individual rulers), representative government, and faith in the market economy. Underlying these beliefs was an optimistic feeling that man's condition could be improved.

At the time of our independence—despite Gandhi's hesitations—there was a consensus among educated Indians that we had to become a modern society in order to succeed. We had to build a strong nation-state and have a competent bureaucracy to administer it; we had to be secular in order to preserve communal peace; we had to raise the lower castes in order to promote social democracy. We had to be socialist in order to have equality; we had to be democratic with universal franchise so that there could be true liberty. To make all this happen, the values of modernity were enshrined in our Constitution in 1950.

The fifties were special in our history because the educated middle class actually believed in these modernist values. It amazes me that many in the middle class genuinely thought that we could better human society. Prior to the nineteenth century, our intelligentsia concerned itself primarily with its own individual nirvana and spiritual enlightenment. Beginning with Rammohun Roy in the early nineteenth century and climaxing with Mahatma Gandhi's nationalist struggle and Independence, we gradually came to believe that to be genuinely modern we had to be concerned with improving society. After Independence, our ruling class attempted sincerely to practice these ideals, at least for a short while.

My uncle in Delhi took up my aunts' refrain. My mother's brother-in-law used to remind my parents that we were growing up too Westernized. The problem, he said, was with our schooling. We were losing touch with our culture. My parents didn't know quite what to do until our neighbor, my father's boss, offered to teach me Sanskrit one day. My mother jumped at the idea. Thus began my Sunday morning lessons at Handa Saheb's home. For the first half hour, I used to try to memorize a sloka from the Bhagavad Gita; during the second half hour, he instructed me on the meaning of the sloka. I hated having to memorize the verses, but I enjoyed listening to his stories, especially about the battles of the Mahabharata.

The success of Western man, Handa Saheb used to tell me, was due to his devotion to human reason. Science and engineering—he was an engineer, like my father—were the result of subjecting the problems of the physical world to the test of reason. As a result, the West had made enormous progress and gained material prosperity. However, material progress wasn't everything, he said.

Excessive devotion to reason had turned Western man agnostic and made him lose touch with his spirit. Eastern man, on the other hand, retained the "spiritual" in his everyday life. Even highly educated and successful Indians in Western professions continued to be drawn to the spiritual life. He referred to my father, and many of our neighbors and friends. A man's life was not complete unless it combined reason with the spirit. The Gita, he said, offered the right combination for living the ideal life.

Handa Saheb used to talk about three kinds of knowledge: knowledge of the world, of the self, and of God. Knowledge of the world came through reason and the physical sciences. Knowledge of the self came partially from psychology and the social sciences, and the West could teach us something about this as well. But for the knowledge of God one had to turn to the Gita, he said. The Gita taught that knowledge from books was not enough—it had to be combined with action and it had to be experienced. Right action was desireless and selfless, that is, it was an act performed with detachment, without thinking of the reward or the benefits of the action. One acted from a sense of duty and not because it suited one. The knowledge of God came also through the experience of meditation. The ideal life for the modern Indian, he said, combined the spirituality and wisdom of the East with the rationality and technology of the West. "What we now need in India," said Handa Saheb, "is to create the industries based on the science of the West while retaining our spiritual tradition." This was our national project. "So back you go to memorizing those slokas!"

Many years later, I thought about my lessons with Handa Saheb. The idea that my father's boss should give me his Sunday mornings meant something. It seemed the most natural thing at the time. My father and Handa Saheb were typical of educated Indians of the time: they had a spiritual dimension. I found that even the most agnostic Indians, who had contempt for India's superstitions, were drawn to religious and philosophical issues. The notion of Indian spirituality is, thus, not a myth. Even I, who went to college initially to study engineering, then shifted to economics, ended up with a degree in philosophy, because that is where I thought I might find answers to the great spiritual questions.

Nehru was our chief modernizer. His elegant autobiography and his unique interpretation of India's past testified to his faith. For the first seventeen years of free India, he got the chance of a lifetime to practice these ideas and to transform India. He called his approach "a third way, which takes the best from all existing systems—the Russian, the American, and others—and seeks to create something suited to one's history and philosophy." The third way tried to combine the growth of capitalism with the equity of socialism without the violence of communism. In the end, the third way failed. Even before Nehru died in 1964, we had begun to despair. We were getting neither the dynamic growth of capitalism nor the equity of socialism. We were not making significant impact on mass poverty. We began to wonder whether India could modernize without a violent communist revolution. A modest growth in income was being virtually neutralized by a demographic explosion as population growth began to rise from 1 percent in the first half century to 2.5 percent. Corruption had begun to grow and was becoming ubiquitous, and discipline in public life was plummeting. Reality had begun to catch up and facts began to diverge from our modernist ideals.

Nehru may have been a great modernizer, but he was a poor manager. He had no patience for organization, implementation, and detail. More than policies, it was their administration that failed us.

It was all very well to proclaim the ideas of the French Revolution, but it was apparent to everyone that "liberty" was deteriorating into indiscipline, an all-powerful bureaucrat-political class was rising in the name of "equality" for the poor, and "fraternity" existed mainly between the giver and taker of bribes. The unions, especially in the public sector, were becoming invincible, and it was increasingly difficult to administer the country. The symbol of this decline was the Congress Party. Socialist ideals need not have degenerated into the License Raj. If care had been taken to monitor performance, periodically assess the impact of policies, remove roadblocks to effectiveness—all the things that a good manager does in the course of a working day—things might have been different. Policies could have been corrected early. Unfortunately, Indira Gandhi compounded the problem.

Nehru had counted on the "steel frame" of the Indian Civil Service to ensure efficient implementation, and it let him down badly. Created by the British Empire to keep law and order and collect land revenue, it was not up to the task of developing and modernizing a backward society. Economically, it was illiterate. It piled up control upon control and created an economic monster. In the end, it is difficult to tell whether it was the policies or their bad implementation that failed us. I believe it was more of the latter. Nehru's main preoccupation was foreign affairs and his place in the world and in history. It was not development. He insisted on being his own foreign minister, which trapped him in the minutiae of running the foreign department. He did not delegate well but felt compelled to do everything himself. Michael Brecher, who observed him closely for many years, wrote, "His attention to trivia is startling for a man in his position." If Nehru had got his priorities right—if he'd been hungry for development—and had been a better manager, he might have been able to modernize our attitudes and institutions in the best sense of the word.

It was at Harvard that I had my first brush with modernization theory. Although I was not a student of sociology, Professor Talcott Parsons of the sociology department was a pervasive intellectual presence, and no one could escape from his ideas. Parsons and the modernization gang struck me as the late children of the Enlightenment with their ample faith in progress. In typical American fashion, they were filled with a naïve belief that only a modern society could be a good society. They felt that as a society modernized, it brought rationality to day-to-day decision making; gradually, it undermined feudal ties and restored dignity to the individual; as it industrialized, it became more prosperous and more equal; finally, it became freer with democracy and the rule of law. Like development economists, sociologists were an optimistic lot in the 1950s and early 1960s. They were excited by the prospect of poor traditional societies becoming modern. Today, scholars are much less certain that they understand how modernization affects traditional societies, or whether its consequences are necessarily benign. They hesitate in saying that the United States, the first "modern society," represents the direction in which other societies should be moving.

Although Mahatma Gandhi took modernity to the masses, he suffered deeply from the dilemma that continues to afflict many educated Indians. He used the railways and the telegraph vigorously, but he hated them. He linked Western technology to colonialism and regarded it as a tool of enslavement. He could not reconcile himself to the idea that Western technology was a rational approach to solving universal problems, and its products, once created, were the universal property of all human beings. He felt that modern urban man had become dehumanized and a victim of machines, and he yearned for

the self-sufficient village. Nehru thought his scheme hopelessly Utopian. In October 1945, as freedom and self-rule came nearer, Gandhi wrote to Nehru: "The first thing I want to write about is the difference of outlook between us … I am convinced that … sooner or later the fact must be recognized that people will live in villages, not in towns; in huts, not in palaces. Crores of people will never be able to live at peace with each other in towns and palaces…. While I admire modern science, it should be reclothed and refashioned aright …."

Nehru, on his part, decided that it was the time to be honest and not fudge the issue as he had done all his life. He replied from Anand Bhawan: "I do not understand why a village should necessarily embody truth and non-violence. A village, normally speaking, is backward culturally and no progress can be made from a backward environment. Narrow-minded people are much more likely to be untruthful and violent …."

After this last effort to re-create the India of his dreams around idyllic villages employing "appropriate technology," Gandhi did not take the issue further. Nehru was now free to pursue his plans to build a modern India of socialist planning and heavy industries, based on Western science and technology. I believe that Gandhi was wrong in rejecting modern civilization, for it was a rejection of the tools of self-defense. Gandhis legacy and our ambivalence towards "modernity" continue to afflict significant sections of our society.

Many Indians wonder if Japan is a possible model for us. The Japanese seem to have been able to adopt the modern institutions of the market, and to transform their ancient and feudal society into a competitive, performance- and education-based meritocracy. They also seem to have done it without giving up some of their traditional family duties or their ancestral moral emotion of "losing face" and "public shame."

No one reads Arthur Koestler anymore. But in the 1940s and 1950s Koestler was a powerful intellectual presence. He visited India and Japan and punctured the myth of Eastern spirituality in *The Lotus and the Robot.* The Indian government was so put off that it banned the book—but only after everyone who was going to read it had read it. Koestler wrote much nonsense in the book, but there were great moments of insight as well. In it, he compared India and Japan—"the most traditional and the most 'modern' among the great countries of Asia." Koestler found that India and Japan had similar social structures, based on the family with its clan extensions and a caste hierarchy. In both societies, the old sought respect from the young; the male dominated the female; pupils were meant to venerate their teachers; conformity was valued more than individuality. Both approached reality intuitively rather than rationally and empirically.

Koestler also noted important differences. We have already seen that Japan's caste system was fluid; India's was rigid. In Japan, caste was a matter of social hierarchy, to be dealt with pragmatically. In India, it had a religious character. The Indian was careless in dealing with society but careful in dealing with the deity. In Japan, it was the reverse. The Japanese nonchalantly clapped his hands at the Shinto shrine to attract the attention of the gods, but in matters of social etiquette he was punctilious. He knew thirty-five ways to wrap a gift parcel, and his worst tragedy was to lose face in society. The Indian was full of religious anxiety; the Japanese worried about prestige. The Indian thought that sex is only for procreation; the Japanese knew that sex is also for recreation. The

Indian was consumed by guilt over masturbation; the Japanese thought it a casual pleasure, almost like smoking. The Indian woman was a temptress who sapped a man's strength; the Japanese woman was a provider of manifold pleasures. The Indian child was deluged with affection and his education started late and remained lax. The Japanese child was subjected to strict social conditioning from a very young age.

Koestler's insights, generic as they might seem, have implications for national competitiveness. Japan's secular spirit may explain, for example, its greater interest in technology. Indians, in contrast, are less curious about how the world works. Indian social hierarchy was more rigid than Japan's, and this may explain why Indians are poorer team players. Japan's fluid caste system made it easier for the ascent of the merchant class during the Meiji times and helped create a social revolution earlier. India is experiencing this social revolution only now, after the economic reforms and after fifty years of practicing democracy.

Japan, despite its present economic troubles—with pervasive layoffs and suicides among out-of-work businessmen—is regarded as a great nation capable of defining the future of the world. Yet many contemporary scholars who share Gandhi's skepticism about modernization increasingly ask about the price that Japan has paid for its success. They wonder whether the Japanese salaryman, who has enjoyed a dramatic rise in his standard of living since the war, is not losing touch with his traditional strength, and whether his prosperity is not eroding the very conditions of his success.

Robert Bellah, a student of Talcott Parsons at Harvard in the 1950s, attempted for Japan what Max Weber had done for the West. He examined the cultural roots of modern Japan and the relation between religion and the rise of industrial society. Weber had suggested that the industrial revolution came first to northern Europe and North America because they were Protestant and had an ethic of individualism, austerity, and hard work, particularly among their entrepreneurs. The countries of southern Europe and Latin America, in contrast, did not have these virtues to the same extent because they were Catholic, and they remained laggards. In a similar fashion, Bellah hypothesized that Japan would succeed because of its culture, which instilled loyalty to the family, the company, and the state. It made the Japanese hardworking, socially disciplined achievers. Subsequent events proved Bellah right, for between 1960 and 1990 Japan achieved miraculous and sustained growth, making it an economic superpower.

Thirty years later, in the mid-eighties, Bellah brought out a new edition of his book. Instead of gloating, Bellah questioned, in a new introduction, if Japan had not paid too high a price for its success. Certainly he found that Japan was the most effectively administered society in the world; Japanese bureaucrats were dedicated and efficient—nowhere more true than in the Ministry of Trade and Industry, the darling of India's BJP ideologues—who had successfully used credit and information to make the Japanese entrepreneurs respond to changing international markets. But Japan had not become "modern" in the way that the sociologists had hoped. It had not developed a universalistic ethic that respected the dignity of each individual. The Japanese were still closely tied into groups that demanded their loyalty and did not exhibit sympathy for outsiders. Neither had Japanese women made much progress in their quest for equality.

Bellah believed that rapid growth threatened traditional Japanese life. The family home used to

contain a garden, no matter how small, that conveyed a sense of the seasons and of nature. Now the Japanese lived in apartments and TV dominated the living room; the children were cut off in their own rooms, where they studied day and night. Fathers were strangers who traveled vast distances between home and work. Ties to the "home village" and its shrine were broken, and so was the harmony, the central tenet of Japanese religion. Although the surface of life was pleasanter in Japan than in most societies, the landscape was being ravaged. The biggest weakness of his book, Bellah confessed, was with modernization theory itself. He had failed to foresee that wealth accumulation might not necessarily lead to the good life, and might, in fact, undermine the very conditions of a stable society. Parsons had assumed that individualism was inevitably linked to modernity. The Japanese experience made this link less self-evident.

The "pathology of modernization" has many takers in India, ranging from academics to the doomsayers of the BJP. They never tire of reminding us about the evils of modernity. The academic climate has changed since my undergraduate days, and our modernity project is one of its biggest victims. It is under heavy attack by Western and Eastern academics. In the 1950s and 1960s everyone was agreed that the Third World had to develop and transform its societies from traditional to modern. Today we are less sure, partly because no one is quite certain what constitutes modernity. The historical experience of the twentieth century, moreover, has raised uncomfortable questions. The Soviet Union and fascist Germany industrialized without democracy. The Far East became industrial and prosperous without individualism. The bureaucracy in India, far from promoting development, became its greatest obstacle. With modernity, reason was supposed to displace religion, but, in fact, America witnessed a great religious revival in the twentieth century. (Europe had witnessed a similar revival in the nineteenth century.)

David Washbrook, a historian at Oxford, has recently posed other problems. Modernity was supposed to have arisen first in the West, become a universal ideal, and then spread around the world. However, Washbrook points out that the historical roots underlying the West's road to modernity existed previously in the Asian societies of China, India, and Islam. Formal rationality, which gave birth to modern science, was a part of the Sanskrit and Arabic cultural universe long before it came to the Anglo-Saxons. Commerce and the money economy, which led to the rise of modern capitalism, existed in the Asian societies before medieval Europe. Property and class relations, similarly, were prevalent in them. Washbrook shows that precolonial Indian society demonstrated a fair amount of individualism in the Brahminic ethic and the Bhakti movements. There is also evidence of equality in the kinship systems and temple sects. He concludes, like Edward Said, that modernity at its root is an ideology of Western dominance and not a scientific phenomenon.

For several years now the post-Confucian hypothesis has challenged the standard concepts of modernity and has enjoyed a certain vogue. Despite the recent problems in the Far East, the hypothesis has won much popularity. It argues that the economic miracles in Japan and in East and Southeast Asia are best explained by Confucian values. A positive attitude to the world and its affairs, a sustained lifestyle of discipline and self-cultivation, respect for authority and order, frugality, and an overriding concern for stable family life—these are the major Confucian values, which have spread through education in the Far East and account for its economic success.

There is also an intriguing corollary to this hypothesis. It argues that "as Buddhism crossed the Tibetan plateau and the great Himalayan passes, it underwent a profound transformation, changing from what was perhaps the most world-denying religion in human history to an emphatically world-affirming one." Although there was already some degree of world affirmation in Mahayana Buddhism in India, it was really in China and in the Mahayana Buddhist countries of East Asia that nirvana was consistently located in this world. Hence, we often hear in the Far East that nirvana and samsara are one and the same, or that the "true body of Buddha, the dharmakaya, is in this world as we know it empirically." If the Confucian hypothesis and the Chinese Buddhist corollary are correct, then it certainly spells bad news for the prospect of rapid economic growth and modernization of India. It means that we cannot easily transfer their lessons to India and the great Himalayan passes remain an insurmountable barrier.

In the early part of the twentieth century, ironically, Confucianism had a bad odor. Chinese intellectuals thought that the root of China's backwardness lay in her cultural traditions, especially in Confucian values. Not surprisingly, they vigorously attacked all aspects of Confucianism. Max Weber wrote in *The Religion of China* that China's culture and religious tradition was deeply uncongenial to modernization. He explained that its ethic hampered economic growth because Confucianism placed the scholar at the top of the social hierarchy and alongside him the government bureaucrat. It emphasized a chain of loyalties beginning with filial piety and extending upwards to subservience to government. Weber did not think that such a rigid, feudal order would promote capitalism, which was innovative, individualistic, and destructive of past traditions. I think we can say today, based on recent experience, that Weber was simply wrong. Equally, the post-Confucians have overstated their case and they have bit the dust in the recent Asian economic crisis.

Whatever name we give to the ethic—Protestant, Confucian, Marwari—the fact is that certain values seem to promote economic development. We sometimes think of them as "middle-class values." They are hard work, education, savings and investment for the future, and the ability to cooperate towards a common objective. Professor Rod MacFarquhar of Harvard recently rebuked the proponents of Confucianism, (especially of the Singapore variety) for trying to create an exclusive club. "There is no difference between the entrepreneurial dynamics of certain Indian merchants and the Chinese merchants in Southeast Asia," he said. "I am not sure that a religion which preaches rejection of the world necessarily implies one cannot have entrepreneurial spirit. In fact, Hinduism is essentially about individuals. The individual has to decide whether or not in this life he performs acts which force him to a worse rebirth in the next life."

I agree with Professor MacFarquhar. I also believe that cultural factors are of limited use in explaining economic performance. The success of modern capitalism in the Far East is on account of good economic policies and practices, and these can be transferred. The Far East countries achieved and sustained high growth rates because they efficiently employed their resources—they emphasized labor-intensive manufacturing for export; they vigorously educated their population; their governments intervened to build competitiveness and to correct distortions. In India, by contrast, government policy created distortions. It made scarce capital cheap, labor expensive, overvalued our exchange rates, and reduced competitive pressures. Our economic reforms have begun to eliminate

some of these distortions, and we have begun, in effect, to transfer some elements of the Far East's success. However, we have not yet begun a serious reform of our educational system, which more than anything is capable of delivering equity with growth. Hence, we ought to focus more on economic and educational reforms and worry less about culture.

As to the "pathology of modernization," I believe that the BJP and the academic critics of modernity fail to realize that modernization offers the only opportunity for the majority of our people to raise themselves to a decent standard of living. To eschew modernization is to condemn the masses to degrading poverty and the injustices of caste in our traditional society. It is easy for the top 20 percent in society to decry the evils of modernization from the comfort of their upper- and middle-class lives. But ask the people. They will any day put up with Coca-Cola and KFC if it means two square meals, a decent home, and a job. Given a chance to exchange the Japanese standard of living for their own, they will always vote to give up their traditional life in the village for a better standard of living. The daily migration into our cities is adequate testimony. Thus, Bellah's concerns or Ashish Nandy's critique will not find resonance among the people involved.

This is the dilemma of modernization for a poor country like India. It is difficult to disagree with the BJP's desire to retain the good things in our traditional culture. This will, however, not be achieved through xenophobia or excessive tariff protection. It will come by having a vigorously competitive economy and improving the quality and quantity of education, which will ultimately give Indians confidence in their lives and their culture. There is no question that modern life will erode many features of traditional society, but a better understanding of the past through education will give a person perspective and make him or her better able to retain that which is good and reject what is bad in tradition.

The ascent of the BJP in the last decade has made us rethink the place of nationalism in our lives. Nationalism has two fatal charms: it presupposes self-sufficiency, which is a pleasant prospect, and it suggests, very subtly, that we are superior just because we belong to a certain time and place. Unfortunately, both these assumptions are wrong and even dangerous—especially now, when we live in an interdependent, globalized world.

There is nothing wrong in being self-confident and proud as a nation, but protection will bring the opposite result. There has been a powerful sentiment in India that the way to national success is to be self-reliant, keep out foreign companies, and try to make as many things in India as possible (even when it did not make economic sense). This thinking goes by the name of swadeshi and in recent years it has had a popular revival, especially among sections of the BJP. I can think of ten reasons why swadeshi-type protection is bad policy. First, it reflects an inferiority complex. Those who seek protection assume that Indians are inferior and cannot compete. They forget that Palanpuri Jains have captured half the world's market share for uncut diamonds; Aditya Birla group is the world's largest producer of rayon; Laxmi Mittal's global steel empire has made him richer than the Queen of England; Reliance is among the ten most admired companies in Asia; Taj and Oberoi have created world-class hotel chains. India's software companies have the best computer engineers in the world and Indian entrepreneurs in Silicon Valley are at the heart of the Internet revolution. The proponents of swadeshi need to have more confidence in Indian abilities.

Second, it seeks to protect the interests of a few thousand industrialists at the expense of millions of Indians. A swadeshi policy will restrict entry of foreign companies, foreign products, and raise import duties. It will deny our people the cheapest and best-quality products in the world. Good governments first protect the interests of their consumers and only then its producers. Third, swadeshi does not further the interests of our companies either. Robust competition is the best school in which industry learns to succeed. Rivalry pushes companies to lower costs and improve quality and makes consumers demanding. By reducing competition, swadeshi will keep our companies weak. Thus, swadeshi is bad not only for consumers but also for producers.

Fourth, we need $200 billion to build up our infrastructure. No one in India has that kind of money. We have to depend on global capital. It was British capital which financed America's infrastructure in the nineteenth century and launched its industrial revolution. America did not lose its sovereignty in the process. Even the BJP concedes that it needs foreign capital for infrastructure. But if it is willing to turn over strategic assets like power plants, roads, ports, and bridges to foreigners, it should not worry about potato chips and aerated water.

Fifth, the protectionist is wrong in believing that we can open our doors to foreigners in infrastructure and close them for consumer products. Global capital is integrated and operates with a herd mentality, on the basis of images and "market sentiment." We cannot be selective or half pregnant. Sixth, there is nothing new about swadeshi. We have practiced it since Independence. It has only delivered us shoddy, high-priced goods and weak, uncompetitive companies. The BJP idealogues want swadeshi only for ten years in order to create a level playing field. But ten years from now Indian companies will still want protection because businessmen basically dislike competition. Seventh, every country has its swadeshi movement, but smart governments ignore their swadeshi lobbies. For twenty years, American Presidents have ignored the pleas of their automakers that sought to limit the import of Japanese cars. When the Japanese captured a third of the American market, their swadeshi lobby predicted the death of the American automobile. But what happened? Japanese competition forced Detroit to improve its cars and recapture market share. Americans drive excellent cars, and if the Presidents had opted for protection, they would still be driving Pintos.

Eighth, swadeshi will bring back the License Raj. The BJP wants high-tech products but not consumer products. However, the personal computer is also a consumer product. Inevitably, political or bureaucratic discretion will decide who gets in. This is another name for corruption. Ninth, swadeshi presumes that someone should tell me what is good for me. Lurking deep in the swadeshi mind is a "command mentality" which wants to build an autocratic society. Tenth, swadeshi is irrelevant. In a country where a third of the people live in poverty and half are illiterate, does it matter if a few people eat Kellogg's corn flakes? If foreign investment is less than 2 percent of total investment, we ought not to waste our time on debating insignificant issues. We should focus our energies on improving the delivery of our programs.

Although I had read his books, I did not meet Amartya Sen until 1992, when I was on sabbatical from P&G and attended his seminar, "Equality and Inequality," at Harvard. He had not yet won the Nobel Prize, but he was one of the greats on the campus. Yet he was quite wonderful in the way he had time for everyone. One day I showed him a column I had written for the *Wall Street Journal* in

which I suggested that the BJP become a true conservative party. It would suit the BJP's temperament, I thought, because it wanted to conserve tradition, and the country might end up with a two-party system. Sen thought I was hopelessly idealistic in thinking the BJP would accept this personality and agenda. To him it was a fascist party. This, however, led us to a discussion of tradition and modernity. He felt that BJP's nationalist phobia about foreign products and ideas arose from mental confusion. He asked if the use of penicillin amounted to Westernization. What about the enjoyment of Shakespeare? Was Goethe somehow betraying the European team because he was moved by Kalidas? Indian cooking was not less Indian because it used chilies, which were brought by the Portuguese into India.

Sen developed these thoughts into a talk that he gave some years later at the India International Centre in Delhi. He said that it is very difficult to pinpoint the origin of scientific ideas. Some of the basic ideas of trigonometry were developed in India, although they came back to India through Western textbooks. He gave the example of "sine," which was used by Aryabhatta, the Indian mathematician, in the early sixth century A.D. He mentioned the decimal system, which was well developed in India by the sixth century, and was taken from here by Arab mathematicians and reached Europe mainly in the last quarter of the tenth century. Related to it was the migration of the "zero" at about the same time from India to Europe via Arab mathematicians.

Indian civilization is so diverse and plural, and has been shaped by so many influences—Dravidian, Aryan, Hindu, Greek, Buddhist, Scythian, Islamic, European—that it should be able to withstand the influence of the globalized culture. Unlike the alarmists, I feel that Indian culture is robust and should be able to maintain its richness and identity. Those who fear the loss of Indian culture ought to read Rabindranath Tagore. As usual, he got it right when he wrote, "Whatever we understand and enjoy in human products instantly becomes ours, wherever they might have their origin. I am proud of my humanity when I can acknowledge the poets and artists of other countries as my own. Let me feel with unalloyed gladness that all the great glories of man are mine."

It is no good hoping that Indian values and the Indian "way of life" will survive intact. All the triumphant talk of "Asian values" has grown quiet. Critics have said that Asian values are indistinguishable from Victorian values (strong family, strong state, strong nationalism). It simply underlines the fact that in everything from industrialization to democratization we are following the well-trodden historical path of development. It has its positive and negative consequences, and we have to live with them. There appear to be two global tendencies which are going to define India's future. The first is the relentless push of the global economy and communications, supported avidly by the rapidly growing middle class. Domestically, we will see the irresistible spread of competitive markets and social democracy. The preoccupations of the people will be with a rising standard of living, with social mobility, with the peaceful pursuit of middle-class values and culture, influenced increasingly by the homogeneous global culture.

The second is the growing consciousness of religious identity in the world, which is leading to fundamentalist and separatist attitudes. In India, it manifests itself in the apparent desecularization of our society. This tendency encourages conflict, instability, divisiveness, rigidity, and irrationality. It is in sharp contrast to the former tendency, which promotes peace, stability, integration, flexibility,

and rationality.

East Asia has followed the first trend; West Asia has followed the second trend. Which of these two trends is likely to prevail in India? Or will Indian society evolve uneasily from a constant clash of both these forces? The two impulses find parallels in the world outside. The first vision was provocatively enunciated a few years ago by the public policy specialist Francis Fukuyama, who prophesied that with the collapse of communism, and in the absence of a competing ideology, liberal democracy based on free markets would sweep the globe. As a result, the world would increasingly become a homogeneous middle-class culture in which there would be no place for global conflict.

Opposed to this utopia was the vision of Harvard professor Samuel Huntington, who argued that instead of tending to a universal, homogeneous culture, the world was becoming increasingly fundamentalist and separate. He divided the post-Cold War world into eight distinct civilizations—the West, Islam, Confucian, Hindu, Japanese, Latin American, Slavic Orthodox, and possibly African. He argued that civilization-consciousness was increasing, and conflict between civilizations would supplant ideological conflict and become the dominant form of global conflict.

There is some truth in both these accounts. The world is becoming more democratic and capitalist. Most of the former communist countries have become capitalist democracies. Sixty-two countries are in the midst of "market-friendly" economic reforms, including the fourteen largest developing countries. The world is enthusiastically embracing middle-class values and the lifestyle of the Coke-MTV popular culture. Global defense expenditure is also down. Of the two biggest spenders, the USSR has disappeared. Thus, from one perspective the world is turning more peaceful, more homogeneous, more middle class, more capitalist, and more democratic.

At the same time, there is abundant evidence of the second tendency. Tribalism, ethnicity, and fundamentalism have grown over the past decade. Yugoslavia is the most dramatic example, but there were, by the last UN count, thirty-seven hot spots of ethnic strife in the world. The growth of Islamic fundamentalism is the most widely reported. The crescent-shaped Islamic bloc from the bulge of Africa to Central Asia has inflamed borders—against the Serbs in Bosnia, the Jews in Israel, the Hindus in India, the Buddhists in Burma, the Catholics in the Philippines. Fundamentalist movements are also growing in Christianity, Judaism, Buddhism, and Hinduism. The Chinese countries are avidly embracing Confucian values; the BJP has become the largest political party in India. Everywhere, it is the young college-educated professionals who are most active in fundamentalist movements around the world. Like the rest of the world, India too is headed in the direction of some form of a democratic capitalist society whose peace will be occasionally punctured by religious extremism.

For all its positive features, there is also a bleak side to Fukuyama's generally sunny vision. It is that bourgeois life tends to become consumerist, lonely, banal, and unheroic. The irony of liberalism is that it gives the individual free space in order to fashion his life, but he is unable to cope with the free space and fills it with trivial objects. Without a God or ideology, bourgeois life is reduced to the endless pursuit of cars, VCRs, cell phones, and channel surfing. The reference point is the self, and the individual becomes self-absorbed in a world of physical security and rational consumption. Even when it comes to sport and exercise, one prefers to jog rather than play team sports. Without a higher moral purpose, there are no heroic acts to perform. Is this the life that India has to look forward to in

this century?

This is the experience of democratic capitalism in the West. The recent lessons from the Far East suggest that these nations too are likely to repeat the Western experience. My guess is that life in India will also change, but it will resist more than others in becoming "dull and bleak" because of the powerful hold of religion. Although India may compress the economic timetable and become prosperous in the next twenty-five to thirty years, I believe it will not lose out on religiosity quite as rapidly. Religion has a powerful place in Indian life, and the persistence of God will be its strongest defense. However, the challenge will be to keep religion a private matter.