

## Book Reviews

# India Arriving: How This Economic Powerhouse Is Redefining Global Business

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Since long, India has posed and will continue to pose an enigmatic look to the world. In the authors' words, India is a land of oddities, puzzles, paradoxes and ethnic fractures with a democratic tradition. She is also a measure of isolation (within) and globalization (outside). In spite of such national puzzles in place, India is changing. The book is all about India changing and arriving in multiple senses to "look familiar to an outsider". India, a poor and ethnically fractured country with low development on both economic and social fronts, has evidenced to the world that a seminal tool like non-violence can free a nation from colonial oppressors and has marched towards institutional development like developed countries and economic growth like East Asia. India's federal character has positively contributed to the growth of the services sector to GDP, growth of private education and improved agricultural extension services which piloted the absence of food-grain crop failures. Federalism, not devoid of its drawbacks, has also led to substantial corruption.

India is generally believed to be an abode of religious tolerance and is renowned for its tranquility despite its multifariousness. But the Mumbai and Ahmedabad riots proved to be vice-versa and maimed the residents of these two cities. Riots, corruption and inefficiency have become a part of independent India's disposition. These seemed to stand out as hallmarks of Indian bureaucracy. Prolonged poverty, conflicting interests of the landless and landlords, the quota system and its related maladies were the enablers of these hallmarks. This led to the creation of a 2-tier economy consisting of both private and public sector companies which resulted in the absence of quality products, R&D for new products, introduction of new technologies, etc.

Amidst all these maladies, the laudable facet of India is its deep-rootedness with multi-linguality. Most of India's city inhabitants are well-versed in more than one language, thus contributing to the multi-linguality. Though India did not formally encourage and emphasize the role of English language, it found its way

into the Indian education system owing to the recruitment demand placed by majority of the services companies for English speaking professionals. Despite the seepage of English into the Indian education system, it still is a cause of concern for recruiters due to the shortage of talent and its interrelated high cost of wages. Apart from these, the other cost maladies faced by most of the Indian firms include, training, attrition and tradability costs of the top Indian talent. But currently, with a high-growth economy in place, the scenario seems to take a U-turn and is bringing the Indians back to their domiciles for even lower remunerations. The Indian education system is also faced with problems of content, lack of soft facilities and consultancy assignments for faculty, other quality problems and paucity of academia-industry partnerships. The woes of the Indian Educational system extend to the Indian IT industry as well. In comparison with other countries, Indian Infrastructure is a major off-putting factor for this industry. Body shopping, labor arbitrage and custom service image add to the existing misery.

The domestic despairs have extensively contributed to the Indian immigration. The Indian immigration to the US can be chronologically understood as contributed by medical doctors, students entering upper tier American universities, less educated and underprivileged lot in search of a decent living and finally followed by the trained engineers. The success of these immigrants overseas can be attributed to the knowledge of English, formation of professional associations' alongwith purpose-built community

centers, senior citizens' advocacy groups and charitable foundations. The success and rising influence of the "Overseas Indian" and his de-mainstreaming have caused a remarkable change in the attitudes back home. The off late discovery of their transnational identity has created a renewed self-serving interest in the Indian cricket, music, Bollywood and the Indian politics as well.

After captivating the readers with the success stories of the 'Overseas Indian', the readers were slapped in the face with reality of the Indian stock markets. The Indian stock markets which originated in the 1870s were subjected to global influences and were marked by intense corruption and insider trading. The key to success of any stock exchange is efficient regulation backed by technological smartness and an independent and capable regulatory body. So the attempts, to end insider trading and corruption and to enhance the stock market's efficiency, were FERA, liberalization of industrial quotas and the set-up of SEBI. SEBI, in an attempt to squash corruption, relied heavily on the foreign firms and their rules. The final stamping on corruption was done with the set-up of National Stock Exchange, a competing stock exchange of BSE, which gradually became a leader in transparent functioning and thus led to a positive change in the BSE.

Continuing on the road of realities, rural India is characterized by hunger and mass poverty backed by shortage of rainfall, famine and lack of tax relief. Post independence saw India's focus for economic growth via industrial growth,

patronization of the rural elite with secondary interests towards land reforms. Though the latter government favored national development via agricultural development through huge fertilizer, capital, power subsidies and nationalization of banks, it contributed to a financial collapse of the treasury. To avert such losses, a better initiative could be to invest in rural health and education which has the capacity to yield productive rural activity and rural industry.

The author then proceeds to project the face of an independent, highly populated and educated India where over 45,000 newspapers reside, of which 7,500 alone are in English. These statistics display the extensive reading habits of the Indians, who adore reading in trains and even an entire uneducated village can 'read' newspapers by banking on one literate. Over a period of time, the Indian media grew in terms of presence and freedom though it is still relatively low on investigative journalism.

The final episode of India's story looks at its three-stage growth which happened with the removal of constraints on the private sector, effective regulation and the initiative of the private enterprises. Specialized cities owing to their ability to support financial markets, sports, films and education and distinctive Indian democratic values were the idiosyncratic forces that contributed towards India's growth. But this growth seemed a minuscule when compared to China. Urban development, business friendly society, ethnic homogeneity and state control of the economy prompted Chinese development. Whilst the Chinese bank on extensive experimentation and learning by doing, the Indians look at adopting a single best approach through good thinking. With this approach, India has categorically made its presence felt by transforming itself from a poor country with the enterprise and energy of its people.

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