

The Hoover Institution's **Survey of India**

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Introduction

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Mark Twain once described India as “the land of dreams and romance, of fabulous wealth and fabulous poverty, of splendor and rags, of palaces and hovels, of famine and pestilence, of genii and giants and Aladdin lamps, of tigers and elephants, the cobra and the jungle, the country of a hundred nations and a hundred tongues, of a thousand religions and two million gods, cradle of the human race, birthplace of human speech, mother of history, grandmother of legend, great-grandmother of tradition, whose yesterdays bear date with the mouldering antiquities of the rest of the nations—the one sole country under the sun that is endowed with an imperishable interest for alien prince and alien peasant, for lettered and ignorant, wise and fool, rich and poor, bond and free, the one land that *all* men desire to see, and having seen once, by even a glimpse, would not give that glimpse for the shows of all the rest of the globe combined.”

Although contemporary India has transformed considerably since Twain’s time, very few Americans have taken more than a passing glimpse at this nation of nations. This neglect was perhaps defensible if not shortsighted in the decades after India’s Independence in 1947. Indeed, the noted American anthropologist Harold Isaacs, quite aptly if poignantly, described India (and China) during this period as “scratches on our minds.”¹ In those decades following Independence, India’s leaders

mostly chose to focus on reversing the damage that nearly two centuries of rapacious British colonialism had wrought on India. Independent India rightly prioritized domestic issues; on the international stage, India’s main goal was to chart an independent and nonaligned course from the major world powers. US policymakers during this time made their peace with India’s reluctance to engage: they did not see much strategic value in *working with* India or its leaders. Not surprisingly, these decades from the 1950s through the 1990s translated into a generation of misunderstanding and distrust between the US and India.²

However, as India has prospered in recent decades, it has simply become too important to ignore. Today India is home to more than one in five of the world’s people, making it the largest country on Earth. It boasts the fifth-largest economy and the world’s fastest-growing major economy at that. Its commitment to democracy has provided decades of political order for a diverse populace, even as some institutions have at times been accused of overstepping their bounds. And as US policymakers shift from focusing on terrorism and insurgency emanating from the Middle East and South Asia to the challenges of a rising China, an increasingly hostile Russia, and the difficult necessity of preserving a free and open Indo-Pacific region, the awesome potential of India’s ascent demands US engagement.

A Chapter from The Hoover Institution’s Survey of India

Since the 2000s, there has been bipartisan recognition that the US must deepen its partnership with India. A major stepping stone toward this goal occurred in 2008, when the two countries signed a historic civil nuclear agreement. Under this agreement, India would split its civil and military nuclear infrastructure and would allow international inspection of its civilian nuclear facilities. In return, previous sanctions placed on India would be suspended and India would be allowed to acquire nuclear technologies and materials for civil purposes from foreign sources. Even though the US and India ultimately failed to advance much nuclear cooperation, the negotiations that brought this agreement to fruition established a new timber of trust in the relationship that had sorely been lacking.

But trust cannot be built on good faith or common enemies alone. Trust—or at least the kind of trust that can bind two nations in a robust partnership—also requires a deep and intimate understanding of the counterpart society. It remains to be seen whether the two countries can successfully work together, but US leaders in government, in the private sector, and in academia have a responsibility to learn about India.

It is in this spirit that we have prepared *The Hoover Institution's Survey of India*. The chapters thematically present eight of the most important aspects of India's political economy. Although the chapters are rigorously researched, the contributors were not asked to present a definitive history of their subjects. After all, entire books could be written on each of these areas. Our contributors were instead tasked with presenting what an educated US policymaker should know about a given issue area, with a bias for presenting and explaining recent developments in India. Although they are short and easy to read, the chapters are not just a mere glimpse of a policy space. Each chapter has been written to inform US experts in that area as well as more general readers who are simply interested in India.

The first chapter by Eswaran Sridharan examines India's domestic politics. In June 2024, India completed its general election, the world's largest exercise in democracy with almost 650 million voters. Narendra Modi and the ruling Bharatiya Janata Party (BJP) won a third term, although Modi and the BJP will have to rely on coalition partners after a decade of ruling alone.

In chapter 2, Jack Goldstone and Leela Visaria present India's demography. After a long struggle to curtail its population, India now finds itself with what has been described as a demographic dividend: an ample number of young adults who are ready to enter the workforce. However, as this glut of young adults struggles to find opportunities—even as the economy grows—birthrates have slowed down. India is estimated to be close to its replacement rate, meaning that its population is stabilizing rather than growing.

Nirvikar Singh surveys India's economy in chapter 3. After briefly describing India's infelicitous history with Soviet-inspired economic planning and the countervailing albeit fitful liberalization in the early 1990s, Singh turns to India's economic trajectory under Modi and the BJP. Over the last decade, India has continued to enjoy GDP growth rates between 6 and 7 percent and emerged from the COVID-19 pandemic with a relatively light balance sheet. This growth trajectory is likely to continue at least in the short term but could be derailed as India and its leaders also have to contend with the related challenges of education, employment, and inequality. Singh highlights that the decisions and bets that are currently being made will likely make or break India's medium- and long-term economic prospects.

Chris Ogden provides an analysis of India's foreign policy establishment in chapter 4. The most important decisions in India's foreign policy have traditionally been determined by a small set of elected ministers and senior bureaucrats who have risen through the ranks of the Indian Foreign

Service. The same is especially true of the present, where it seems as though the locus of India's foreign policy decision making is concentrated in the Prime Minister's Office (PMO). Other important institutions such as the Ministry of External Affairs and the Ministry of Home Affairs, along with the finance and commerce ministries in their realms, are in close sync with the PMO, forging a cohesive foreign policy. This coordination-veering-on-centralization also means that Modi can use India's instruments of foreign policy to present a new narrative of India, one that celebrates the country's ascendancy and further develops the nationalist ideals that are central to Modi's political project.

In chapter 5, Andrea Malji considers India's trajectory of health and education, where there have been remarkable and admirable strides over the last several decades. With some exceptions, health and education are treated as state-level subjects in India's federal system, with private actors also emerging in these spheres. As Malji summarizes, despite considerable overall progress in health and education, certain marginalized groups appear to be getting left behind. Critics have also warned of a "saffronization" in India's health and education, whereby Hindu nationalist ideologies may be shaping human development policy in new ways.

Jahnvi Phalkey examines India's science and innovation policies in chapter 6. To situate the dramatic changes that India has pursued in this area over the past ten years, Phalkey first summarizes India's science and innovation policies since Independence. Despite the Indian government's serious and sustained commitment to science and technology in its early years, any fair account needs to recognize that India never fully realized its potential. Most research funding flowed into highly vertical government laboratories and organizations with the result that few technologies translated into commercial success. At the same time, a brain drain undermined the massive investments made in the education of a select group of scientists and

engineers. Successive reforms—including reforms that are currently under consideration—continue to target these issues but will require considerable political capital and/or creative solutions.

In chapter 7, Varun Rai examines India's energy portfolio. As India's middle class emerges and as India pursues energy-intensive industries such as advanced manufacturing, semiconductors, and data storage, India's growing demand for energy may complicate the country's ambitions. At the same time, Indian leaders are acutely concerned about the public health issues related to certain forms of energy production (such as electricity generated from coal plants) and to a lesser extent on carbon emissions. Rai not only presents the bleeding-edge possibilities for India's energy domain but also examines how various policy reforms and infrastructural investments could advance a more robust energy framework.

Finally, Manoj Joshi examines India's defense policy in chapter 8. India under Modi and the BJP is making a concerted effort to modernize its military organization. After decades of relying on foreign equipment and systems, India is also developing an indigenous defense industry. The US has emerged as an important partner in furthering India's efforts to modernize and indigenize, offering a maturing deal flow that supports technology transfer and India-based production. India will continue to be keen to work with the US in strengthening its defense capabilities, if it can do so while also preserving its posture of strategic autonomy—putatively a commitment to maintaining an independent foreign policy free of external pressures or constraints.

Taken together, these chapters present the contours of a rapidly ascending power. India's trajectory over the past several decades has been downright enviable, and the country is likely to continue its ascent across multiple dimensions. But the pressures that the country faces are also apparent. As India approaches its eighth decade

of independence, India's biggest challenges seem to be internally sourced. Contending nationalist visions between liberalism and secularism on the one hand and majoritarian Hindu nationalism on the other not only shape the country's electoral outcomes but also emerge across India's political economy. To be sure, the US is no stranger to such growing pains. As the US approached its eighth decade of independence it would soon descend into the vortex of a sanguinary civil war. Although India is unlikely to experience anything as painful as a civil war, given its inherent cultural and religious pluralism, the country will ultimately have to reconcile what it means to be Indian. What India chooses to pursue will not only affect these eight policy areas but will also shape the US-India relationship more broadly.



In summary, the main goal of this survey is not to simply inform a US policymaker or two at a particular point in time regarding some trivial summary statistics. After all, one can already look up basic information from other sources. Instead, our contributors provide a sense of the underlying dynamics—political, institutional, societal, and otherwise—that are collectively shaping the trajectory of India. By raising the overall level of awareness on India's political economy, we hope

that this *Survey of India* will inspire Americans to learn more about India and its people.

Our push could not come at a more critical time. Despite the widespread recognition that the US-India partnership will be one that defines this century, and the equally widespread recognition that India's internal dynamics will shape its engagement with the United States, it seems to be an open secret that many leaders in the US do not have substantive exposure to India. This should come as little surprise: very few US students have had the opportunity to visit India, and even today, there are only a handful of scholars across the country who teach classes on India or its political economy. The US and India will continue to struggle in advancing this critical partnership unless and until US expertise on India matures and deepens.

NOTES

1. Harold R. Isaacs, *Scratches on Our Minds: American Images of China and India* (Routledge, 1980).
2. See, for example, Andrew J. Rotter, *Comrades at Odds: The United States and India, 1947-1964* (Cornell University Press, 2000); also see Rudra Chaudhuri, *Forged in Crisis: The United States and India Since 1947* (C. Hurst and Company, 2013), and Srinath Raghavan, *The Most Dangerous Place: A History of the United States in South Asia* (Penguin, 2019).