

Jobs for All, US \$10 Trillion GDP by 2030- Collective “YOU” can make it happen

Contents

1. Why I wrote this whitepaper?

1.1 Who am I ?

1.2 Who is Collective “YOU” ?

1.3 Making the Impossible Possible ?

1.4 Apprentices ,PURA and Mindsets

1.5 Jobs and Food , Late Mover Advantage ?

1.6 Solving Structural Problems by Changing the lens and Moving on

2. Executive Summary

2.1 Summary of Recommendations

2.1.1 – Single Point Accountability

2.1.2 – Solving Structural Problems

2.2 Action Points for Stakeholders

2.2.1 – Collective “YOU”

2.2.2 – MP/Collectors

2.2.3 – PM

2.2.4 – Large Industry/MSME

3. Solving Structural Problems by Changing the Lens

3.1 Humanism not Socialism – Attracting Capital ?

3.2 The Importance of Global Market Share

3.3 Where are the jobs? Improving Value Added ?

3.4 Life Skills and OJT

3.5 MSME Growth Incentives

3.6 True Panchayati Raj

3.7 Electing Good Leaders and Demanding METRO

1. Why I wrote this Whitepaper?

1.1 -Who am I ?

I have been fortunate to have lived in three different countries India, Thailand and USA and worked at TAS (Tata Administrative Services), Citibank, PayPal and SpaceX. You can learn more about me on <https://www.linkedin.com/in/sanjaybhargava/>. I am now an “Egoless Karma Yogi”. This is the last in my series of whitepapers and I wrote these whitepapers to provoke action. I do not claim that my suggestions are right so these whitepapers should be used as starting points where people use whatever is useful and discard the rest . I believe in blaming no one, inspiring everyone and the power of a billion plus minds.

In this whitepaper I write about how we can prevent jobless growth from 2020-2030 and how the vast human capital that India has can be leveraged for rapid growth in GDP to reach US\$10 Trillion GDP. The task is impossible but can be made possible if the **Collective “YOU” gets engaged and the power of a billion minds elects good leaders and then helps them succeed.**

This will never happen in India. Maybe. China GDP in 2006 was comparable to India now. In 2016 it was US\$ 11.7 trillion. The impossible has happened in China. In my mind it is not a question of democracy versus authoritarian rule. Leadership in China managed to mobilize the Collective “YOU” in China and made the miracle possible. **If China did it can India do it?**

1.2 Who Is Collective “YOU” ?

Collective “YOU” is a subset of the global internet audience. I am a part of Collective “YOU” but I am powerless without the collective power of YOU. How to activate the collective power of YOU and start a “India for METRO’s “ platform is a key objective of writing this whitepaper. Maybe the platform could help resolve structural and controversial issues in a non-violent manner and support leaders in achieving the exceptional growth that will make the impossible possible. It is not leadership alone. **Mindsets have to change at many levels as all of us who have lived and worked in India know.**

1.3 Making the Impossible Possible ?

This whitepaper is my humble contribution to try and provoke action and thinking. I am just listing a few mindset changes that are very hard but I think crucial for us to make the impossible possible

1.3.1 – National Pride - China ne Kiya, Hum bhi Kareng.

1.3.2 – United for Development – The opposition should support party in power on development if they are doing good things. Raise the level of debate and show development in states and constituencies you are elected in.

1.3.3 – Investor Devo Bhava – As bureaucrats, regulators and judiciary see how you can make India the growth engine the world needs. Set Measurable Timebound Real Outcomes, be ready to step down if you cannot deliver

- 1.3.4 – Think Global** - Industry leaders still want to be protected and stifle disruptive thinking and foreign capital. This must change. MSME must have a growth mindset and some start-ups must think how they can build the next \$1 Trillion market cap company that makes the world better.
- 1.3.5 – Value Added Citizen** – How can I stop cheating? How can I work hard? How can I move from being Praja to being a voter who demands METRO's and be prepared to play my part in making the Impossible Possible.

1.4 Apprentices, PURA and Mindsets

In the rest of the paper I will discuss a few items to provoke action. The first is **“Our youth today are not being productive from age 16 to about age 22. “**

Many youth today, boys and girls, should start working in entry level jobs as apprentices after they pass 10th standard basic course. Yes we need a basic course in 10th standard which prepares people to become productive citizens and is not a college track course. Those who have the capability and the means to go to college can do the current course but for many others who need to or want to work in companies large and small they should do the basic course and start working. Many households need the income these youth can provide and for those who want to continue learning they can through open university and vocational training. **China harnessed its human capital very well and grew rapidly. India needs to do the same.**

For job opportunities other than marginal farming and MNREGA to exist in every rural area companies, large and small, must want to set up units in rural areas and for that the senior people running these units must want to live in the rural area. This is why it is vital to make the Late President APJ Kalam vision of PURA (Provision of Urban Amenities in Rural Areas) a reality. When I joined Citibank in 1981 many of its back office operations in USA were in New York City. Later these shifted to rural areas in USA and later to low cost operations and call centres in other countries. **In India many financial institutions have their operations in the suburbs of Mumbai. This must change.**

The most important issue to tackle is the mindset of parents and youth. Many youth especially in rural areas want a government job or maybe a white collar services job. They do not want entry level blue collar jobs. I think the reality is that many youth need to do entry level blue collar jobs ,these jobs must have good working conditions and must be respected. A friend told me that a delivery boy in Bengaluru earns Rs 35000 a month while an entry level coder earns Rs 30000 in Infosys. A good plumber, carpenter, cook or domestic help can earn a lot. Your worth in the matrimonial market places a key role in the job choices people make. Many youth would prefer being called insurance agent though they may not sell a single insurance policy rather than proudly declare I provide janitorial services. Some youth may want to become day traders or crypto investors which is fine but if the bulk of the youth want to lie flat then it becomes a national problem. China is very

concerned with the lying flat movement in youth. See

<https://www.scmp.com/economy/china-economy/article/3153362/what-lying-flat-and-why-are-chinese-officials-standing-it>

1.5 Jobs and Food, Late Mover Advantage?

I am using the term food as it is more inclusive than agriculture. It covers agriculture, aqua culture, pink revolution (meats), horticulture, herbs etc. Food needs to become less labour intensive and modernise. Jobs in marginal farming are very low value added and the best way to double farmers income is for many marginal farmers to stop farming and take up other jobs close to where they live in smart villages where PURA has attracted many job creators. The marginal farmers could give up their land to cooperatives which could give them a share of the profits. Some cooperatives may even get listed on the stock exchange. Why should marginal farmers own land? Many of us are shareholders in companies where we get capital appreciation and dividends which add to the income we derive from our main job. Why should it be different in agriculture? Just as AMUL has produced many jobs and self-employment opportunities there can be many jobs in the pink revolution, aqua culture, horticulture. Venezuela exports \$150 million of shrimp and has imported a lot of know how from China to scale shrimp farming in a sustainable way. **In the case the cooperative fails the land reverts back to the marginal farmer and the marginal farmer can borrow against their cooperative shares plus sell their shares so technically they are not giving up their land.** Food and food processing could create millions of well-paying sustainable jobs and because we are a late mover we can take all the learnings so far of best practices and **prevent disasters such as monoculture agriculture or environmental degradation caused by shrimp farms.**

1.6 Solving Structural Problems by Changing the lens and Moving on

In the previous sections we talked about the structural problem caused by marginal farming and how many youth are wasting six years by doing 11th and 12th and then four year college. If we are going to get to US \$10 trillion then we will need to move fast and solve many other structural problems. Let us see how tough the task is. India GDP in 2020 was US\$2.66 trillion. To reach \$10 trillion by 2030 the CAGR needs to be 14.16%. By end of 2022 we should be at US\$3.5 trillion which we will not be. Is \$10 trillion just wishful thinking or is it possible. My take on this is that while \$10 trillion by 2030 is very improbable it is not impossible if we remove structural problems, attract enough private capital (domestic + foreign), we awaken rural India and have value added jobs for all youth girls and boys and for all adults men and women. If the collective power of YOU is awakened achieving \$10 Trillion by 2030 will still be very difficult and improbable. Can the Collective "YOU" make the impossible possible? In section 3 I will discuss what I think are some of the structural problems and starting points of how they can be solved but before I leave this section I think we need to abandon thinking of our glorious past and move on. We have to stop delusional thinking and **accept that we have a lot to learn and execute before we can become Jagat Guru.** No doubt that India is a great emerging superpower and the growth engine that world needs but why should India say this? If this truth is self-evident India does not have to harp on it. **Exponential India is a much better rallying cry than Atma Nirbhar India.**

2. Executive Summary

This is the last whitepaper I will write. The three whitepapers I recently wrote try to summarize my thoughts for the collective “YOU” (a subset of internet users who want India to be the growth engine that the world needs). I call myself an “Egoless Karma Yogi” . Egoless means I do not believe that what I have written is all useful. Some of it may be garbage and should be discarded. It also means that I need not play an active role as there are people better than me who will build on any useful thoughts and deliver outcomes. Since I came back to India in 2004, seventeen years ago I have been trying to provoke positive change and I have been a practitioner. There has been a lot of positive change where I had no role to play. As I retire many told me that I should not write these whitepapers but being a Karma Yogi I felt I had to do my Karma without worrying about the outcome. If in 2030 a miracle happens and India has a GDP of US\$ 10 trillion with Jobs for All it will not be because of me or anyone else . **It will be because of the collective “YOU”. If India muddles along it will again be because of Collective “YOU”. The biggest red flag I worry about is the lack of a work ethic in youth.**

2.1 Recommendations

- 2.1.1 Single Point Accountability** As the CEO of India Inc the Hon’ble PM has Single point accountability for India becoming a US \$10 trillion economy by 2030. This is a stretch goal and the exact number in 2030 may be lower than Us \$ 10 trillion but the direction and momentum should be clear. The PM needs a person of Cabinet Rank who cuts across Silos and ensures Jobs for All. You can see the problem is very complex and needs a small core team headed by an exceptional leader to make Jobs for all a reality. There will be many pro bono volunteers to help the core team.
- 2.1.2 Solving Structural problems** India has many structural problems. Some of these are outlined in Section 3. Deng realized this in China and managed to remove them gradually to kickstart the economic miracle in China.

2.2 Action points

- 2.2.1 Collective “YOU”** – Build a platform to organize the Collective YOU. The platform could be a \$1T market cap company in 10-20 years as it could start with India and then become Global. The government should encourage platform builders. It should not try and build a public sector platform. The Collective “YOU has to demand actions (Measurable Timebound Real Outcomes)
- 2.2.2 MP/Collectors** – MP should see themselves as the PM of their constituency with the collector as their cabinet secretary . They should grow the GDP of their constituency rapidly with Jobs for All
- 2.2.3 PM** – Appoint the person with Single point Accountability for Jobs for All
- 2.2.4 Large Industry/MSME** – Work with PM/CM/MP Single point Accountability persons to grow GDP double digit with Jobs for All

3. Solving the Structural Problems by Changing the Lens

In some sectors in India a “change in lens” like introducing production linked incentives have helped create rapid growth. Should job linked incentives also be introduced ? In this section I have tried to outline a few suggestions where a “change of lens” is needed to prevent “Jobless Growth in 2020-2030. Some of these may be very controversial and may need to be discarded. Others may be very good and should be used. If the brilliant minds in India get engaged with no shackles then even more creative, disruptive solutions will emerge and the India that Rabindranath Tagore prayed for will emerge.

*“Where the mind is without fear and the head is held high
Where knowledge is free
Where the world has not been broken up into fragments
By narrow domestic walls
Where words come out from the depth of truth
Where tireless striving stretches its arms towards perfection
Where the clear stream of reason has not lost its way
Into the dreary desert sand of dead habit
Where the mind is led forward by thee
Into ever-widening thought and action
Into that heaven of freedom, my Father, let my country awake.”*

3.1 Humanism not Socialism - Attracting Capital ?

If Marxists bleed red and Capitalists bleed green then India because of its Socialist roots clearly bleeds pink or maybe pinkish green. I think there is a need for a new kind of “ism” where you bleed blue the colour of the sky and the oceans and I intend to think and write on a new social contract – Humanism .

Leaving Humanism aside India is very confusing for foreign investors which makes it a super hard country to invest in. I will give a few examples not to be critical but to show how Indian actions give investors pause and cause some to call India a labyrinth of land mines. **For incremental India this is not a problem as India will muddle along but for exponential India it is a serious problem.**

- **No immediate limited rollout** – You have a great idea and you want to use a district of rural India as a lab. You need an enabling ecosystem and want to get started in a week or a month. Oh we have sandboxes. Really? If your idea cuts across regulators then what? How easy is it to apply and get sandbox approval . If you are licensed in many countries have international approvals can you do an immediate limited rollout in India while your license for full rollout is processed
- **Compete with the government** – We cannot trust the private sector so we must have monopoly in areas such as NPCI. If we intend to open it with NUE(New Umbrella Entities) we will cancel plans. In digital e-commerce we cannot trust the marketplaces to compete and not exploit merchants and consumers. We cannot nudge them through regulation. We must set up ONDC a section 8 company with most of the

investors from the public sector to muddy the waters and make it even more confusing. Instead of ONDC could government have worked with marketplaces to develop protocols that would enable smooth onboarding of merchants with all the information on the merchants shared with all the marketplaces. Maybe the intention of ONDC is to be a utility for marketplace participants but the communication is not clear at all.

- **Vested interest risk/ Harassment risk** – As an investor who is putting in billions of \$ and cannot be corrupt will be concerned that even if plays by the rules the government will bow to activists and not take the investors side. Many government agencies will keep sending notices/ file cases etc to make the cost of compliance high and if the investor is global hurt the investors global image.
- **Come to us. We will not come to you** – If we need say a trillion dollars of capital, foreign and domestic do we proactively reach out and have a constructive dialogue with those we want to attract. Normally if a private company wants to raise capital it prepares a lot and does roadshows to get anchor investors. No doubt India makes efforts but these efforts enough and are we on track to get the private investment we need for an exponential India. I just do not. Is there and **FOMO** or a feeding frenzy to invest in India ?
- **Pot of Gold ?** – Do companies that can serve the public interest in India feel comfortable investing billions in India. Is there a pot of Gold? Should they be made to feel comfortable that need not fear heavy handed government intervention and the everyone govt, bureaucrats, regulators, media, judiciary will follow the Investor Devo Bhava mantra. There will be heavy penalties if the trust is abused but there will be trust. Business risk will determine if an investor loses or makes money but investors will find it difficult to find a more welcoming destination anywhere in the world.

The Collective YOU has to demand “Investor Devo Bhava” and to see real results of the domestic and foreign capital being invested. They should also demand that public money is spent on areas such as research and development , quality education and quality healthcare for all.

3.2 The Importance of Global Market Share– China has been losing global market share in Textiles but China’s loss which should have been India’s gain has mostly gone to countries like Bangladesh, and Vietnam. Let us say India wants to create 5 million new entry level jobs in textiles and pays \$100 per month or \$1200 per year to these apprentices. The annual wage bill will be \$6 billion. If the entry level wage bill is 20% of revenue then the incremental revenue has to be \$30 billion. The size of Global textile market in 2021 is estimated at \$1041 billion so India has to grow its Global share by 0.3 % using these 5 million workers. To be competitive all the factors of production have to be good. China grew its global market share rapidly as did Japan at one point. China has paid a price and Japan has faltered as well. Can India benefit from being a late mover and grow global market share where it has competitive advantage. It will be nothing short of a miracle if India can get to US \$10 trillion GDP by 2030. For this to happen both domestic GDP and

export GDP will have to grow exponentially. The Hon'ble PM Modi has started talking about exponential India. Maybe this is what he means.

The Collective YOU has to demand a plan where India is growing to grow Global market share for each sunrise sector.

3.3 Where are the jobs? Improving Value Added? – There are plenty of jobs if India increases its global market share in labour intensive industries. For instance in textiles if India doubles its exports to \$60 Billion from \$30 Billion it can create an additional 5 million entry level jobs. We need a jobs plan with regular reporting to see how far we are from full employment where everyone in the age bracket of 16-60 is earning at least \$100 USD per month and there is no need for schemes like MNREGA. In addition there are plenty of jobs in building out the domestic infrastructure and in catering to increased domestic and foreign tourists. Imagine if Delhi had clean air, was open 24x7x365 (at least some parts) and started rivalling the top cities of the world how many tourism related jobs would be created.

On another note all should be encouraged to take advantage of the gig economy and to invest in themselves. Companies in India should not be able to restrict their employees from using their personal time to freelance and get more income. They should be also encouraged to volunteer and/or invest in themselves by taking online courses and getting reimbursed for selected courses taken on a verified track.

The Collective YOU has to demand a Jobs plan and how much value add each person from 16-60 is doing. We do not want full employment by digging ditches and filling the up.

3.4 Life Skills and OJT – The structural problem around skill development is that we have made this a much more elaborate problem than it needs to be. For many jobs at the entry level you just need life skills and a good attitude. You can then get OJT (On the Job Training). In Citibank in 1985 we had to hire a large number of contract people who could work for 90 days only. We set up a system where a person had a 10 minute interview and was put on the job with a good contract person who in thirty minutes explained the work for the day. If the person got it then they stayed or they left before lunch. Can you teach essential life skills in 30 minutes with five videos and then ask the learner to send back videos on what they learnt and how they will use it. Can entry level employers use these videos to hire.

If we wanted to add 5 million jobs in textiles and we identified areas where there was land, sheds, power, water, common environmental facilities and logistics connectivity. All these units which were plug and play would be ready in record time and managed by private infrastructure companies. If we have a large pool of highly productive and motivated apprentices who were ready to work three shifts and there are dorms for them, messing facilities recreation and distance learning facilities then Textile entrepreneurs

foreign and domestic will get a huge competitive advantage. China is 8 times India textile exports. Can we close the gap ? \$30 billion extra exports will only shrink the gap slightly.

The Collective YOU has to demand a huge increase in apprentices in India who are earning US\$100 or more per month and working and learning (optional) instead of wasting six years. There is also a huge responsibility to build a work ethic in the youth.

3.5 MSME Growth Incentives – In 1955 Milton Friedman was invited by India to give his comments on the Indian economy. He said it was fundamentally flawed and was a barbell economy. At one end were the state run monopolies and oligopolies and on the other end were the cottage and small industries. There was very little in the middle. The two ends of the barbell were not likely to be efficient and that was the flaw. In 1962 he was invited again for some reason and made the same observations. 60 years later some of the flaws still remain. There is very little incentive for a Micro enterprise to become small, for a small enterprise to be medium and for a medium to be big. I know many who are in the “Small is Beautiful camp” will oppose this line of thinking but that is the beauty of democracy. Opposing views can be aired and the policy makers can decide and have a strategy to not let the dissenting voices get out of hand. For MSME to grow can we give them JLI (Job linked incentives). The more people they employ the more incentives they get like subsidized working capital, social security reimbursement and so on.

The Collective YOU has to demand a huge migration in MSME from micro to small , from small to medium and from medium to large. India has to become more of a cylinder economy rather than a barbell economy.

3.6 True Panchayati Raj – In The USA property taxes are quite high and retained by the small area that you live in. These are used for the school, roads and many other things. In India the Wards in urban areas and the Zillas in rural areas have no money as finances are centralized. I am not an expert on China but I am told that the economic miracle was a miracle of decentralization to the province level where each province (district in India) tried to grow its GDP in double digits. We need business plans at the district level. It has to be Vibrant Nandurbar and not Vibrant Maharashtra. This has been attempted. If you go to <https://nandurbar.gov.in/> and look you will find Vision 2022 which was probably prepared in 2018. The unedited vision is below

“We envisage Nandurbar as a self-sustainable progressive district of Maharashtra with revitalized and refurbished health care, drinking water supply and education. Har gaon’ Road connectivity and ‘har ghar’ electricity would be strived for with special focus on making Nandurbar as the Chillies Capital of India.”

Is Nandurbar the Chillies Capital of India. I do not know. Why was the vision limited to India? To the Nandurbar’s credit it had a vision document. We could not find these for other districts. Vision matters but execution is what counts. Why was the vision not Chillies Capital of the world. Gilroy in USA calls itself the Garlic Capital of the world and Castroville is the Artichoke Capital of the world.

We did an experiment in Ward 103 in Delhi to see if we would make one ward like Singapore so that the argument that Singapore is too small and India is too big goes away. We failed but you may want to see this document <https://bit.ly/Ward103>. We need to get each Ward/ each Zilla energized to become vibrant. Some will succeed and become role models for others.

The Collective YOU has to demand business plans from each zilla/ward and each zilla/ward should be able to generate revenue and be responsible for infrastructure in their ward/zilla.

3.7 Electing Good Leaders and Demanding METRO's – The structural problem in elections in India is that civic engagement is very low. Voters do not fund candidates and if candidates put their own money, party money or third party money they will work to get an ROI and their voters interests will not be their driver. You may find this note <https://bit.ly/ElectHatke> interesting but it all depends on the collective "YOU" defined in this whitepaper getting organized and electing candidates who are funded by the "YOU collective" , have and will deliver Measurable Timebound Real Outcomes.

So far it is only about The Collective YOU making demands but the Collective YOU has a huge responsibility in electing good leaders and then helping them to propel India to exponential growth by indulging in nation building activities and not nation destroying behaviours.