

It's about high-quality jobs

We need millions of high-quality jobs to become a developed nation

ILLUSTRATION: BINAY SINHA

In earlier articles, "It's about jobs" (*Business Standard*, 1st April and 29th April), I argued that India's essential need is to create millions of high-quality jobs. That requires us to get the supply of quality talent right — improving our skilling programme, school quality, and female participation in the workforce. In the second article, I argued that millions of good jobs in manufacturing companies could absorb the supply of well-educated and trained women and men — but this required labour reform. This concluding article is about why high-quality jobs are so important, and how tourism is the essential service sector that can add to a jobs boom in manufacturing.

The great Stanford sociologist Alex Inkeles was a seminal contributor to modernisation theory. Modernisation theory argues that the development of a country is built on the development of its people. In particular, as a society modernises, people adopt a set of more modern attitudes. These include "a sense of personal efficacy; openness to new experience; respect for science and technology; acceptance of the need for strict scheduling of time; and a positive orientation toward planning ahead". These modern attitudes are the essential building blocks of an advanced society — and indeed an advanced economy. Not only do they make the individual modern, but they also make for participant citizens — with interest in the news and a sense of national identity that rises above religious and local ties. So how does an individual become modern?

Alex Inkeles' classic book, *Becoming Modern*, reported the results of a major multi-year six country (that included India) research project. The key contribution was to provide an empirical scale of modernity that applied universally, and to establish its source. The two key sources of modernity were the school and the factory, with one year in school worth roughly two in a factory. Nothing else came close — not family background, or the friends one has, or what one reads, or mass media, or the speeches of political or religious leaders. The school one can understand — developing the individual is what it is there for. But a factory employs people not to develop them, but to produce things. Why was it such a powerful moderniser, in Inkeles' words, "a school for modernity"?

A factory is about production. But the way a factory is organised inherently develops the individual. People work to a manufacturing schedule; this teaches planning. One sees a direct connection between work and output — so it isn't luck that delivers results but learning and using skills. That fosters efficacy. Any decent factory has a focus on efficiency — that directly connects using time productively to output. Change is the norm in factories, so new experience is valued. Technology is all around one, making the individual more pro-



ductive. And decision-making requires data, valuing a scientific temper over superstition.

It is for these reasons that manufacturing jobs matter. But why not service jobs? Formal service jobs can be powerful modernisers — our challenge is that most formal service occupations require high levels of education, and there aren't that many of them. Take our most successful industry — the IT sector. An industry that has boomed for over 30 years employs 4 million people directly today. And some of those directly employed, and most of those indirectly employed, are informal occupations — drivers, and security services, and domestic staff — that are not "schools for modernity". A country of 1.3 billion, with a workforce of 500 million growing at 20 million a year, needs a lot more.

There is a big exception: Tourism. Tourism can be as effective a school for modernity as the factory — indeed, done right it can be even better. One of my favourite resorts anywhere in the world is the Shillim resort. Shillim is in the middle of a thoroughly rural area, 30 km from the nearest town, Lonavla, which is itself no metropolis. Shillim today directly employs around 450 people. A policy of recruiting locally has created two hundred jobs for young men and women from the nearby villages that have a population of around 1,000. These young people are taught all those things that make people modern. An intensive training programme teaches everything from hospitality domain skills to the soft skills essential to success in a luxury resort. In the eight years since Shillim opened, hundreds of lives have been transformed, and with it the fortunes of their families in the next generation.

Shillim needs to become India writ large. Tourism is our greatest untapped opportunity. No country can match us in the combination of architectural

diversity (with everything from Mughal forts and tombs to Hindu temples and the colonial grandeur of New Delhi), unmatched natural beauty (from the backwaters of Kerala to the beauty of the Kashmir Valley), and a richer diversity of culture than in any other country (there is no such thing as Indian dress or Indian food — we have dozens of distinct dress styles and even more cuisines). With all this to offer, why are we at No 25 in the world tourism rankings? Why can't we match the No 1 country, France, with 83 million annual tourist arrivals instead of our current 15 million (half of whom are NRIs)? A first step would be to match Thailand's 33 million.

The alternative to hundreds of millions of formal high-quality jobs — in manufacturing or tourism — is one of millions of informal marginally employed drivers and cleaners and delivery boys. T N Ninan's insightful and thought-provoking edit in *Business Standard* many years ago on the horrendous Nirbhaya rape has always haunted me. He pointed out how different the victim and rapists were in their paths of modernity. The victim and her friend were educated, and with good job prospects in formal occupations. The rapists were all in informal, unstable occupations — with nothing that either taught them modern attitudes nor gave them a stake in the existing system. The difference was not where the victims and rapists had come from, but the education, exposure and employment of their families. A modern future for India requires that we do all that is necessary — labour reform to unleash labour-intensive manufacturing, policies to promote garments and footwear and food-processing, and a tourism Czar with the power to work across ministries and state governments to attract 80 million annual tourists to India in the term of this government. The alternative could condemn us, in Trotsky's words, to the ash heap of history.



INDIA'S WORLD?

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