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Quality of Life: India vs. China

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1.

The steadily rising rate of economic growth in India has recently been around 8 percent per year (it is expected to be 9 percent this year), and there is much speculation about whether and when India may catch up with and surpass China's over 10 percent growth rate. Despite the evident excitement that this subject seems to cause in India and abroad, it is surely rather silly to be obsessed about India's overtaking China in the rate of growth of GNP, while not comparing India with China in other respects, like education, basic health, or life expectancy. Economic growth can, of course, be enormously helpful in advancing living standards and in battling poverty. But there is little cause for taking the growth of GNP to be an end in itself, rather than seeing it as an important means for achieving things we value.

It could, however, be asked why this distinction should make much difference, since economic growth does enhance our ability to improve living standards. The central point to appreciate here is that while economic growth is important for enhancing living conditions, its reach and impact depend greatly on what we do with the increased income. The relation between economic growth and the advancement of living standards depends on many factors, including economic and social inequality and, no less importantly, on what the government does with the public revenue that is generated by economic growth.

Some statistics about China and India, drawn mainly from the World Bank and the United Nations, are relevant here. Life expectancy at birth in China is 73.5 years; in India it is 64.4 years. The infant mortality rate is fifty per thousand in India, compared with just seventeen in China; the mortality rate for children under five is sixty-six per thousand for Indians and nineteen for the Chinese; and the maternal mortality rate is 230 per 100,000 live births in India and thirty-eight in China. The mean years of schooling in India were estimated to be 4.4 years, compared with 7.5 years in China. China's adult literacy rate is 94 percent, compared with India's 74 percent according to the preliminary tables of the 2011 census.

As a result of India's effort to improve the schooling of girls, its literacy rate for women between the ages of fifteen and twenty-four has clearly risen; but that rate is still not much above 80 percent, whereas in China it is 99 percent. One of the serious failures of India is that a very substantial proportion of Indian children are, to varying degrees,

undernourished (depending on the criteria used, the proportion can come close to half of all children), compared with a very small proportion in China. Only 66 percent of Indian children are immunized with triple vaccine (diphtheria/pertussis/tetanus), as opposed to 97 percent in China.

Comparing India with China according to such standards can be more useful for policy discussions in India than confining the comparison to GNP growth rates only. Those who are fearful that India's growth performance would suffer if it paid more attention to "social objectives" such as education and health care should seriously consider that notwithstanding these "social" activities and achievements, China's rate of GNP growth is still clearly higher than India's.

2.

Higher GNP has certainly helped China to reduce various indicators of poverty and deprivation, and to expand different features of the quality of life. There is every reason to want to encourage sustainable economic growth in India in order to improve living standards today and in the future (including taking care of the environment in which we live). Sustainable economic growth is a very good thing in a way that "growth mania" is not.

GNP per capita is, however, not invariably a good predictor of valuable features of our lives, for those features depend also on other things that we do—or fail to do. Compare India with Bangladesh. In income, India has a huge lead over Bangladesh, with a GNP per capita of \$1,170, compared with \$590 in Bangladesh, in comparable units of purchasing power. This difference has expanded rapidly because of India's faster rate of recent economic growth, and that, of course, is a point in India's favor. India's substantially higher rank than Bangladesh in the UN Human Development Index (HDI) is largely due to this particular achievement. But we must ask how well India's income advantage is reflected in other things that also matter. I fear the answer is: not well at all.

Life expectancy in Bangladesh is 66.9 years compared with India's 64.4. The proportion of underweight children in Bangladesh (41.3 percent) is lower than in India (43.5), and its fertility rate (2.3) is also lower than India's (2.7). Mean years of schooling amount to 4.8 years in Bangladesh compared with India's 4.4 years. While India is ahead of Bangladesh in the male literacy rate for the age group between fifteen and twenty-four, the female rate in Bangladesh is higher than in India. Interestingly, the female literacy rate among young Bangladeshis is actually higher than the male rate, whereas young women still have substantially lower rates than young males in India. There is much

evidence to suggest that Bangladesh's current progress has a great deal to do with the role that liberated Bangladeshi women are beginning to play in the country.

What about health? The mortality rate of children under five is sixty-six per thousand in India compared with fifty-two in Bangladesh. In infant mortality, Bangladesh has a similar advantage: it is fifty per thousand in India and forty-one in Bangladesh. While 94 percent of Bangladeshi children are immunized with DPT vaccine, only 66 percent of Indian children are. In each of these respects, Bangladesh does better than India, despite having only half of India's per capita income.

Of course, Bangladesh's living conditions will benefit greatly from higher economic growth, particularly if the country uses it as a means of doing good things, rather than treating economic growth and high per capita income as ends in themselves. It is to the huge credit of Bangladesh that despite the adversity of low income it has been able to do so much so quickly; the imaginative activism of Bangladeshi NGOs (such as the Grameen Bank, the pioneering microcredit institution, and BRAC, a large-scale initiative aimed at removing poverty) as well as the committed public policies of the government have both contributed to the results. But higher income, including larger public resources, will obviously enhance Bangladesh's ability to achieve better lives for its people.

3.

One of the positive things about economic growth is that it generates public resources that the government can devote to its priorities. In fact, public resources very often grow faster than the GNP. The gross tax revenue, for example, of the government of India (corrected for price rise) is now more than four times what it was just twenty years ago, in 1990–1991. This is a substantially bigger jump than the price-corrected GNP.

Expenditure on what is somewhat misleadingly called the "social sector"—health, education, nutrition, etc.—has certainly gone up in India. And yet India is still well behind China in many of these fields. For example, government expenditure on health care in China is nearly five times that in India. China does, of course, have a larger population and a higher per capita income than India, but even in relative terms, while the Chinese government spends nearly 2 percent of GDP (1.9 percent) on health care, the proportion is only a little above one percent (1.1 percent) in India.

One result of the relatively low allocation of funds to public health care in India is that large numbers of poor people across the country rely on private doctors, many of whom have little medical training.

Since health is also a typical example of "asymmetric information," in which the patients may know very little about what the doctors (or "supposed doctors") are giving them, even the possibility of fraud and deceit is very large. In a study conducted by the Pratichi Trust—a public interest trust I set up in 1999—we found cases in which the ignorance of poor patients about their condition was exploited so as to make them pay for treatment they didn't get. This is the result not only of shameful exploitation, but ultimately of the sheer unavailability of public health care in many parts of India. The benefit that we can expect to get from economic growth depends very much on how the public revenue generated by economic growth is expended.

4.

When we consider the impact of economic growth on people's lives, comparisons favor China over India. However, there are many fields in which a comparison between China and India is not related to economic growth in any obvious way. Most Indians are strongly appreciative of the democratic structure of the country, including its many political parties, systematic free elections, uncensored media, free speech, and the independent standing of the judiciary, among other characteristics of a lively democracy. Those Indians who are critical of serious flaws in these arrangements (and I am certainly one of them) can also take account of what India has already achieved in sustaining democracy, in contrast to many other countries, including China.

Not only is access to the Internet and world opinion uncensored and unrestricted in India, a multitude of media present widely different points of view, often very critical of the government in office. India has a larger circulation of newspapers each day than any other country in the world. And the newspapers reflect contrasting political perspectives. Economic growth has helped—and this has certainly been a substantial gain—to expand the availability of radios and televisions across the country, including in rural areas, which very often are shared among many users. There are at least 360 independent television stations (and many are being established right now, judging from the licenses already issued) and their broadcasts reflect a remarkable variety of points of view. More than two hundred of these TV stations concentrate substantially or mainly on news, many of them around the clock. There is a sharp contrast here with the monolithic system of newscasting permitted by the state in China, with little variation of political perspectives on different channels.

Freedom of expression has its own value as a potentially important instrument for democratic politics, but also as something that people enjoy and treasure. Even the poorest parts of the population want to participate in social and political life, and in India they can do so. There is a contrast as well in the use of trial and punishment,

including capital punishment. China often executes more people in a week than India has executed since independence in 1947. If our focus is on a comprehensive comparison of the quality of life in India and China, we have to look well beyond the traditional social indicators, and many of these comparisons are not to China's advantage.

Could it be that India's democratic system is somehow a barrier to using the benefits of economic growth in order to enhance health, education, and other social conditions? Clearly not, as I shall presently discuss. It is worth recalling that when India had a very low rate of economic growth, as was the case until the 1980s, a common argument was that democracy was hostile to fast economic growth. It was hard to convince those opposed to democracy that fast economic growth depends on an economic climate congenial to development rather than on fierce political control, and that a political system that protects democratic rights need not impede economic growth. That debate has now ended, not least because of the high economic growth rates of democratic India. We can now ask: How should we assess the alleged conflict between democracy and the use of the fruits of economic growth for social advancement?

5.

What a democratic system achieves depends greatly on which social conditions become political issues. Some conditions become politically important issues quickly, such as the calamity of a famine (thus famines tend not to occur at all when there is a functioning democracy), while other problems—less spectacular and less immediate—provide a much harder challenge. It is much more difficult to use democratic politics to remedy undernourishment that is not extreme, or persistent gender inequality, or the absence of regular medical care for all. Success or failure here depends on the range and vigor of democratic practice. In recent years Indian democracy has made considerable progress in dealing with some of these conditions, such as gender inequality, lack of schools, and widespread undernourishment. Public protests, court decisions, and the use of the recently passed "Right to Information" Act have had telling effects. But India still has a long way to go in remedying these conditions.

In China, by contrast, the process of decision-making depends largely on decisions made by the top Party leaders, with relatively little democratic pressure from below. The Chinese leaders, despite their skepticism about the values of multiparty democracy and personal and political liberty, are strongly committed to eliminating poverty, undernourishment, illiteracy, and lack of health care; and this has greatly helped in China's advancement. There is, however, a serious fragility in any authoritarian system of governance, since there is little recourse or remedy when the government leaders alter their goals or suppress their failures.

The reality of that danger revealed itself in a catastrophic form in the Chinese famine of 1959–1962, which killed more than 30 million people, when there was no public pressure against the regime's policies, as would have arisen in a functioning democracy. Mistakes in policy continued for three years while tens of millions died. To take another example, the economic reforms of 1979 greatly improved the working and efficiency of Chinese agriculture and industry; but the Chinese government also eliminated, at the same time, the entitlement of all to public medical care (which was often administered through the communes). Most people were then required to buy their own health insurance, drastically reducing the proportion of the population with guaranteed health care.

In a functioning democracy an established right to social assistance could not have been so easily—and so swiftly—dropped. The change sharply reduced the progress of longevity in China. Its large lead over India in life expectancy dwindled during the following two decades—falling from a fourteen-year lead to one of just seven years.

The Chinese authorities, however, eventually realized what had been lost, and from 2004 they rapidly started reintroducing the right to medical care. China now has a considerably higher proportion of people with guaranteed health care than does India. The gap in life expectancy in China's favor has been rising again, and it is now around nine years; and the degree of coverage is clearly central to the difference. Whether India's democratic political system can effectively remedy neglected public services such as health care is one of the most urgent questions facing the country.

6.

For a minority of the Indian population—but still very large in actual numbers—economic growth alone has been very advantageous, since they are already comparatively privileged and need no social assistance to benefit from economic growth. The limited prosperity of recent years has helped to support a remarkable variety of lifestyles as well as globally acclaimed developments of Indian literature, music, cinema, theater, painting, and the culinary arts, among other cultural activities.

Yet an exaggerated concentration on the lives of the relatively prosperous, exacerbated by the Indian media, gives an unrealistically rosy picture of the lives of Indians in general. Since the fortunate group includes not only business leaders and the professional classes but also many of the country's intellectuals, the story of unusual national advancement is widely and persistently heard. More worryingly, relatively privileged Indians can easily fall for the temptation to focus just on economic growth as a grand social benefactor for all.

Some critics of the huge social inequalities in India find something callous and uncouth in the self-centered lives and inward-looking preoccupations of a relatively prosperous minority. My primary concern, however, is that the illusions generated by those distorted perceptions of prosperity may prevent India from bringing social deprivations into political focus, which is essential for achieving what needs to be done for Indians at large through its democratic system. A fuller understanding of the real conditions of the mass of neglected Indians and what can be done to improve their lives through public policy should be a central issue in the politics of India.

This is exactly where the exclusive concentration on the rate of GNP growth has the most damaging effect. Economic growth can make a very large contribution to improving people's lives; but single-minded emphasis on growth has limitations that need to be clearly understood. •

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- 1. I have discussed this issue more fully in "How Is India Doing?,"

 The New York Review, December 16, 1982; in (jointly with Jean

 Drèze) Hunger and Public Action (Clarendon Press/Oxford

 University Press, 1989); and in Development as Freedom (Knopf, 1999). ←
- 2. I discuss this in "The Art of Medicine: Learning from Others," *The Lancet*, January 15, 2011. ←
- 3. I am grateful to Lincoln Chen, Jean Drèze, and A.K. Shiva Kumar for helpful discussion of this and related issues. ← © 1963-2023 NYREV, Inc. All rights reserved.