



# India Under Modi: Gucci Capitalism Embraces Hindu Nationalism

By Rasna Warah



I am in a fashionable neighbourhood in South Delhi with a group of 40-somethings who could be described as the New India, the aspirational India, the India of the dot-com generation - English-speaking, affluent, tech-savvy, well-travelled. During before-dinner drinks that include the finest imported wines and whiskies, the conversation inevitably turns to the Indian stock market - what shares are most profitable, when to invest and how much, and how to reap the greatest profits.

Not too long ago, this same group might have been looking to leave India for greener pastures in places like America or Australia. Today, they and their age-mates couldn't imagine living anywhere else. One of them has just given up a job in Dubai to return to his home in New Delhi. "Life is so much better here - we are spoilt, by servants, cooks and the lifestyle. Who would want to give all this up?" he commented as we debated whether to sample the spicy Chinese dumplings or the cheese and crackers that the dinner party host had on display.

New Delhi thirty years ago, when I last visited the city, was a different place. It was more akin to V.S. Naipaul's India where those who had the means or the opportunity to do so couldn't wait to leave, "to shake India off, shake off what they see as the retarded native element in dhotis and caste-marks, temple-goers...bad at English" than to Indian author Siddhartha Deb's more recent description of the subcontinent, where people are "devoted to efficiency, given to the making of

money and the enjoyment of consumer goods while retaining a touch of traditional spice, which meant that they did things like use the Internet to arrange marriages along caste and class lines”.

Shopping malls were an alien concept then and Louis Vuitton, BMW, Gucci and other luxury brands had not yet entered the Indian market. Pre-1991, then Finance Minister, who would become Prime Minister over a decade later, Manmohan Singh had not yet liberalised the economy. India produced everything from matchsticks to refrigerators for domestic consumption. In 1977, even Coca-Cola withdrew from the Indian market and an Indian company filled the gap by producing Thums Up, a local version of the soft drink. (Coca-Cola re-entered the Indian market in 1993.) The mantra of self-reliance, or Swadesh, popularised by Mahatma Gandhi, extended even to motorcars – the Indian-made Ambassador, a slow, bulky vehicle, was the main mode of transport of ministers and senior government officials. It was rare to see a Mercedes Benz or a Toyota on the roads.

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This protectionist (some might call it nationalist) “Made in India” policy lost favour in the early 1990s with the opening up of the economy. With liberalisation came an aspirational generation that could dream the American Dream that Indian IT engineers in places like Silicon Valley were already experiencing. Thanks to a government policy initiated shortly after independence to promote and subsidise higher education in science and technology, India's top state-run engineering institutes churned out graduates that could find a job anywhere in the world. Many of these engineers eventually returned home to establish software companies like Infosys in IT hubs like Bangalore, so much so that by 2006, the software industry in India was worth \$25 billion and employed over a million people. The success of India's IT sector and the outsourcing of services like call centres to Indian hubs by companies in the US and Europe spawned a generation of young Indians who had money to spend on luxury goods.

Meanwhile, India's hospitals and medical facilities polished up their image and improved the quality of specialised health services, giving birth to what is now known as the “medical tourism” industry in the country. “India Shining”, the mantra of the 1990s and early 2000s, seemed to be bearing fruit. India's GDP today stands at \$2.6 trillion, making India the sixth largest economy in the world. (Only the US, China, Japan, Germany and the UK have larger economies.) With an annual economic growth rate of roughly 8 per cent, it is likely that India will soon make it to the top five economies.

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But is India really shining and have these achievements come at a price? Unlike China's economic reforms in the late 1970s and early 80s, which managed to lift half a billion people out of poverty within one generation, and which saw this communist country evolve from a command economy to "market socialism with Chinese characteristics", economic reforms in India have not had a significant impact on poverty levels. More than 260 million people - or about one-fifth of the population - are still classified as extremely poor, though there is a noticeable growth in the middle classes, whose numbers vary from between 300 million to 600 million, depending on who is doing the counting.

Rural India remains steeped in tradition and ignorance; caste still determines destiny. While the IT and retail sectors have grown, the agricultural sector is facing a crisis, with an increasing number of farmers committing suicide due to their inability to service loans taken to pay for higher-yield seeds marketed by multinational companies. This agrarian suicide crisis, which began in the 1990s, has left many wondering whether liberalisation has had a negative impact on the country's agricultural sector.

But something fundamental has also shifted in India. Two things have happened in the last decade that have both affirmed and negated India's assertions about being among the world's fastest growing economies and most tolerant democracies. The first is the rise of the Bharatiya Janata Party (BJP) and its leader Narendra Modi who dismantled the old elitist structures that characterised Indian politics. The second is the growth in the popularity of a type of Hinduism that has given birth to new hierarchies and divisions based on religion.

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Modi, who boasts of once being a chaiwallah, or tea seller, has injected a kind of egalitarianism in Indian politics. He has toppled the elitism that characterised the Indian Congress Party (India's Grand Old Party). Although the Congress Party prides itself in representing the poor and minorities, under Indira Gandhi and her successors, it developed an elitist culture and sense of entitlement. As Ramesh Thakur commented in an op-ed piece in the *Times of India*, "Inevitably this [Congress Party culture] morphed into the VIP culture that Indians by and large detest with a depth of contempt, anger and resentment" - a situation that Modi fully exploited.

Modi, who is not averse to getting his hands dirty and leading by example, including taking a broom and cleaning the streets of the capital city, does not display conspicuous consumption or ostentatiousness. And unlike most of his predecessors, he did not attend elite English-medium schools and did not go abroad for higher education. His ascent to power had little to do with family connections or patronage networks, but more to do with his charisma and populist rhetoric. His stand against corruption is viewed by many as a refreshing attempt to tackle a vice that has plagued India for decades. He claims to be committed to eliminating the rot that had festered under Congress Party leadership, which allowed India's ruling elite to capture power, wealth and privilege while allowing the majority of the country's population to wallow in poverty and illiteracy.

But Modi's brand of politics is also deeply flawed - and has proved to be divisive. The BJP's "Hindutva" philosophy, which embraces militant Hinduism and imagines a "pure" India comprised only of Hindus, has led to increasing religious intolerance. Muslims, Christians and lower-caste Hindus have increasingly come under attack by Hindu mobs. While the Indian Prime Minister promised a more egalitarian and inclusive India, where an office clerk can aspire to become an office

manager, he also created a more exclusive India, where minorities, Muslims in particular, have no place. Attacks against Muslims have been on the rise in India since he took office in 2014; Hindu vigilante groups, emboldened by a leader who believes that India belongs to just one religious group, have been targeting Muslims and other religious minorities. Some states in India have even banned the eating of beef. The Indian writer Arundhati Roy recently quipped, “it’s safer to be a cow than a woman or Muslim in India”.

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Interestingly, the BJP’s brand of Hinduism has found a willing following among India’s so-called aspirational classes, who like to see themselves as modern and cosmopolitan. In his book *The Beautiful and the Damned: Life in the New India*, the writer Siddhartha Deb says that Modi’s brand of Hinduism received a new life in the liberalised 1990s “when the Indian elites simultaneously embraced free-market economics and a hardened Hindu chauvinism”.

Deb says that the Gita, Hinduism’s religious text, was adopted by these Hindu revivalists/fundamentalists because in it they discovered “an old, civilisational argument for maintaining the contemporary hierarchies of caste, wealth and power...they read an endorsement of a militant, aggressive Hinduism that did not shirk from violence, especially against minorities and the poor”. In other words, while the economic pie has grown larger in India, the biggest slices are still being eaten by Hindu elites, who now find justification in religious texts for excluding and discriminating against those who have traditionally been marginalised.

Modi’s right-wing government is also silencing the dissenting voices of left-leaning writers like Arundhati Roy. Roy’s radical views have also not endeared her to the aspirational classes, such as the group I met at the South Delhi dinner gathering, who consider her to be an “unpatriotic” rabble-rouser intent on spoiling India’s reputation.

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Recently five human rights activists were also arrested and accused by the government of being members of India’s Communist Party. Among them were lawyers and a professor. India has not witnessed such intolerance since Indira Gandhi declared a State of Emergency in India in the late 1970s.

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