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Meanwhile: India's cellphone revolution

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NEW DELHI: One of my favorite photographs of India shows a sadhu right out of central casting — naked body, long matted hair and beard, ash-smeared forehead — chatting away on a mobile phone.

The contrast says so much about today's India — a country that manages to live in several centuries at the same time.

There are other photographs I have seen over the years that illustrate the same phenomenon — laborers carrying TV sets on their heads, a bullock-cart transporting rocket parts, a car overtaking an elephant, and so on. But there's something particularly special about the sadhu and his cellphone.

It is in communications that the transformation of India in recent years has been most dramatic. Last month, for the first time, seven million Indians subscribed to new mobile phones. That is a world record.

In September 2006, India overtook China for the first time in the number of new telephone subscribers per month. We are still way behind China in the total number of cellphone users (just over 140 million against their 450 million), but each month the gap is narrowing.

By 2010, the government tells us, we will have 500 million Indian telephone users. China will probably still be ahead, but on a per capita basis there will be little to choose between us.

Now to anyone who grew up in pre-liberalization India, that is astonishing. Bureaucratic statism committed a long list of sins against the Indian people, but communications was high up on the list; the woeful state of India's telephones right up to the 1990s, with only eight million connections and a further 20 million on waiting lists, would have been a joke if it wasn't also a tragedy — and a man-made one at that.

We had possibly the worst telephone penetration rates in the world. The government's indifferent attitude to the need to improve India's communications infrastructure was epitomized by Prime Minister Indira Gandhi's communications minister, C.M. Stephen. In response to questions in Parliament decrying the rampant telephone breakdowns in the country he declared that telephones were a luxury, not a right, and that any Indian who was not satisfied with his telephone service could return his phone — since there was an eight-year waiting list of people seeking this supposedly inadequate product.

Stephen's statement was altogether typical of an approach to governance in the economic arena that assumed the government knew what was good for the country, felt no obligation to prove it by actual performance and didn't, in any case, care what anyone else thought.

So the cellphone revolution is exciting not only as a sign of India's economic transformation, but as a symptom of something far more important, a change in the attitude of India's governing classes.

The government is marginal to this success story, since we don't need it to lay telephone lines across the country any more, and the private sector telecoms companies develop their own connectivity.

Perhaps the key contribution of the government has lain in getting out of the way — in cutting license fees and streamlining tariffs, easing the overly complex regulations and restrictions that discouraged investors from coming in to the Indian market, and allowing foreign firms to own up to 74 percent of their Indian subsidiary companies.

All this is to the good. But what is truly wonderful about the "mobile miracle" is that it has accomplished something India's old Socialist policies talked about but did little to achieve — it has empowered the less fortunate.

The beneficiaries of the new mobile telephones are not just the affluent, but people who in the old days would not even have dreamed of joining those 20-year-long waiting lists.

It's a source of constant delight to me to find cellphones in the hands of the unlikeliest of my fellow citizens: taxi drivers, paanwallahs, farmers, fisherfolk.

As long as our tax policies keep telecommunications costs low and it's cheap for people to call on their cellphones, the greatest growth in the use of mobile phones will be in this sector.

Communications, in the new India, is the great leveler. It's a pity that Stephen is no longer around to see how wrong he was.



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