

From the Editor

The deeper we sail into the economic doldrums, the greater is the wonderment that there is so much locked-up promise in India that we cussedly ignore. Politics oozes from every pore of ours; we expect the economy to take care of itself. Over the past few months I have talked in great detail with a number of senior business leaders and marvelled at their tenacity and willingness to continue to place huge bets on the future, when they might do well to up stakes and head for the hills. For all the talk of the post-Pranab Mukherjee UPA reviving the economy, the comatose patient has only been given a couple of electric pinpricks; there are a few jerks and the limbs have again sunk into a stupor.

It is important that we not get caught up in navel-gazing. To that end, *Business Today* brings you the highest quality external perspective. Last fortnight we had Glenn Levine of Moody's Analytics on what needs to be done, in a hurry, on reforms. This fortnight we have two excellent columns. Leif Eskesen of HSBC paints a moderately optimistic picture of where India could go if it speeds up reforms (page 16), while Daniela Yu and Yamini Arora of Gallup do a sobering summary of a survey on the difficulties of Indian entrepreneurship (page 38). Let me underline a couple of numbers that leapt out at me: nearly one in two Indians say the government makes it hard to start a business. Nearly two-thirds

of Indians "agree that corruption is widespread in business" and this perception is even higher among business owners and those who plan to start a business.

Nowhere is this more cruelly evident than in infrastructure, where it is now a tired cliché to hear the government say private-sector participation is crucial if we want to meet a \$1 trillion minimum investment goal in the 12th Five-Year Plan. It is a world of rolled-up sleeves, hard hats, and harder realities. The government pretends to be a partner, but it is a demanding, petulant mistress. No man probably knows this better than Ajit Gulabchand, whose Hindustan Construction Company boasts of building a quarter of India's hydroelectric power plants and half of the country's nuclear plants, besides highways, tunnels and bridges. And,

of course, the dream hill city of Lavasa, which has become a parable of zealot politician versus zealous business. Anand Adhikari wrote the analytical cover story on HCC (page 44), while Gulabchand sat down with me for an hour-long and frank conversation. He's made mistakes, but he is optimistic and believes India is the best place to be doing business. I think the best thing going for this country is its India-rubber men and women.

Every year *BT* runs a major cover story on innovation. It is an exhilarating challenge. The very word "innovation" is contentious. Is it a shattering new discovery, or making things better imaginatively? We decided to find out what "quiet revolutions" are taking place in our land. We focused on the most important pieces in our developmental jigsaw – education, water, energy, agriculture and health care. I am very proud of the package produced by the team of N. Madhavan, Anusha Subramanian, E. Kumar Sharma, K.R. Balasubramanyam and G. Seetharaman, and led by Alokesh Bhattacharyya, which starts on page 54. You will find these stories very inspiring; suddenly, all the bickering about reforms and policy paralysis fall away and you are drawn into the fascinating world of microeconomics. This is what makes India tick.

Talking about innovation, do not miss the amazing story about Haathi Chaap paper on page 126. The next time you write a love-note, spare a thought for entrepreneurs like Vijendra Shekhawat, who gives the words "getting his hands dirty" a flavour no business-school case study ever will.

Chaitanya Kalbag
chaitanya.kalbag@intoday.com
www.businesstoday.in/editor



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V.N. Commercial Complex, Udyog Vihar, Phase 5, Gurgaon-122001; Tel.: 0124-4948400; Fax: 0124-4030919; Mumbai: 1201, 12th Floor, Tower 2 A, One Indiabulls Centre (Jupiter Mills), S.B.

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