The quotes in italics are from the ENS Lyon's Lettre de cadrage on the geography 2026 syllabus – I've done my homework 😉

> Géographie économique fragmentée ou complémentaire ?

> Depuis les années 1990, les mondes indiens connaissent des recompositions productives majeures sous l'effet de la libéralisation économique et de la mondialisation …
> … s'est affirmée comme un pôle émergent dans des secteurs stratégiques : technologies de l'information et services numériques, industrie pharmaceutique ou industries culturelles.

The World Ahead | Finance & economics in 2026

1- India's economy will become the world's fourth-largest

But the country falls short on many other measures
Nov 12th 2025|MUMBAI| By Leo Mirani, Asia correspondent, The Economist

India will accomplish a remarkable feat in early 2026. By the close of the financial year in March it will overtake Japan to become the world's fourth-largest economy—and within striking distance of the third-largest, Germany.

The milestone is about more than bragging rights. It shows tremendous progress. At the dawn of this century Japan was the world's biggest economic power after America, and India was not even in the top ten. Since then India has zoomed past Brazil, Mexico and Canada, several European countries, and its own former coloniser, Britain. The IMF reckons that by 2030 it will trail only America and China.

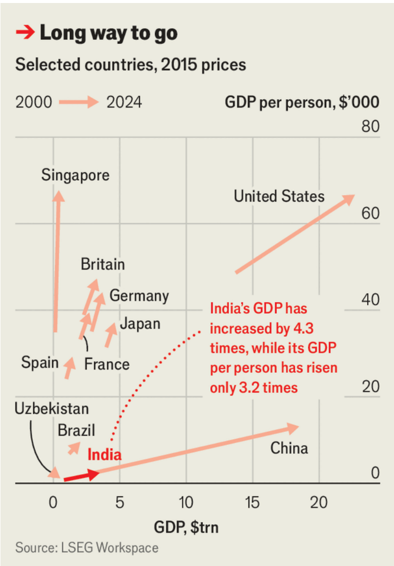


Chart: The Economist

The fruits of this prosperity are visible across the country. India's cities have sprouted skyscrapers and luxurious homes; its highways are thronged with vehicles; its equity markets are huge and thriving. Most important, hundreds of millions of people have lifted themselves out of extreme poverty. A middle class has emerged, 400m-strong and growing. Indians, and their government, would be justified in celebrating their successes.

But they should not break out the champagne just yet. For all its growth, India remains a poor country. A more revealing measure of India's development than the size of the economy is its GDP per person. Though it will soon edge past Japan in overall GDP, the fruits are shared among more than 11 times as many people. Adjusted for the cost of living, India ranks 126th on this measure. That is an improvement from 25 years ago, when it ranked 152nd. But at just over $12,000 per head, around the same level as Jordan or Uzbekistan, it is only about two-thirds of the average for emerging economies.

Another way to think about India's economic rise is to consider whether life has improved for its people. The rate of extreme poverty plummeted from 27% to just 5% in the decade to 2022, according to the World Bank. But the absolute numbers are still staggering. In 2022, 75m—more than the population of Britain—survived on less than $3 a day.

Another 267m, about twice the population of Mexico, scrape by on less than $4.20 a day, the World Bank's poverty line for lower-middle income countries like India. The country ranks 102nd out of 123 on a ranking compiled by the Global Hunger Index.

And India fares poorly on many other rankings and indices, too. It is 176th out of 180 countries on an index measuring environmental performance compiled by Yale University; 151st out of 180 on a press-freedom index published by Reporters Without Borders, an advocacy group; and 41st on a democracy index put together by the Economist Intelligence Unit, our sister company.

Shepherding an economy from relatively puny to among the biggest in the world represents a huge achievement by India's leaders. But size is not everything. As hundreds of millions of Indians would attest, quality of life matters, too. ■

2- India's economy is surging thanks to these three revolutions

The Washington Post, April 28, 2023   Opinion – Fareed Zakaria

A shop owner displays a JioPhone Next, a low-cost 4G smartphone, in Ahmedabad, India, on Oct. 30, 2021. (Amit Dave/Reuters)

Visiting India this week, I was struck by how different the mood there is compared with much of the world. While people in the United States and Europe are worried about inflation and a possible recession, Indians are excited about the future. India is now the most populous country on the planet and is projected to be the fastest-growing large economy as well, at 5.9 percent this year. As Prime Minister Narendra Modi said recently, "India's time has arrived."

My worry is that I have seen this movie before. I remember going to the World Economic Forum in Davos in 2006 and being bombarded with billboards plastered all over the Swiss town saying "Incredible India!" and proclaiming it to be the "world's fastest-growing free market democracy." In fact, in those years, India was growing even faster than it is now, at a rate of more than 9 percent. The Indian trade minister at the time confidently predicted to me that the Indian economy would soon overtake China's.

It didn't quite work out that way. After a few years, growth petered out, economic reforms stalled, and many foreign businesses that had entered the country with great enthusiasm were disappointed. Some left altogether. As for beating China, despite the Chinese economy's slowdown, it is now about five times the size of India's.

And yet I came away from the trip bullish about India. While that mid-2000s enthusiasm did not fully translate, the country did continue to make progress. It has been the second-fastest-growing large economy (behind China) for about 20 years. In recent years, however, it has been able to accelerate growth because of a series of revolutions.

The first revolution was a government initiative called Aadhaar, which gives every Indian a unique 12-digit ID number verifiable by fingerprints or an iris scan. It sounds simple, but it is, in Nobel laureate Paul Romer's words, "the most sophisticated ID program in the world." Today, 99.9 percent of adult Indians have a digital ID that can be used to verify instantly who they are and thus set up a bank account in minutes (literally, I have seen this done!), or to transfer government payments to recipients directly and with little skimming and corruption.

Aadhaar enrollment is open to all and free, but its most distinctive feature is that it is publicly owned and operated, unlike in the West, where digital platforms such as Google and Facebook are private monopolies that can share your data to make a profit. Entrepreneurs can even build businesses on Aadhaar. And when you use the platform to send money or take out a loan, you don't pay those persistent fees so ubiquitous in the West.

The second is the Jio revolution. Mukesh Ambani, India's biggest and most ambitious business leader, made a staggering $46 billion bet that by offering very cheap phones and data packages through his telecom service Jio, he could get most Indians on the internet. It worked. With most using smartphones as their computers, more than 700 million Indians now use the internet. In 2015, India was ranked 122nd for per capita mobile data consumption. Last year, it was first, exceeding the consumption of China and the United States combined.

The third is an infrastructure revolution, which is readily apparent to anyone visiting India. Spending on roads, airports, train stations and other projects has exploded. Government capital spending has risen fivefold since fiscal 2014, and the average construction of national highways has roughly doubled, as have seaport capacity and the number of airports. Mumbai is finally building an extensive set of bridges, roads, tunnels and metro lines that could truly connect all parts of India's leading economic center.

These three revolutions could, this time, truly transform India. But they can best do so by helping in the country's greatest challenge — bringing in the hundreds of millions of Indians who are still on the margins, economically, socially and politically. As of 2019, about 45 percent of Indians — more than 600 million people — live on less than $3.65 a day.

Nandan Nilekani, the visionary architect of Aadhaar, describes how to create jobs in a novel, bottom-up fashion. Rather than the Chinese top-down approach of building 100 new factories that employ tens of thousands, he envisions using Aadhaar to get loans to the millions of small businesses scattered throughout the country. "If 10 million small businesses get loans that let them each hire two more people, that's 20 million new jobs," he said to me.

The even larger challenge of inclusivity involves India's women, who are still pressured in various ways not to work outside the home. Female labor force participation in India is low and, stunningly, has fallen over the past two decades from around 30 percent to 23 percent. Of the Group of 20 countries, not even Saudi Arabia's level is lower. Bloomberg Economics estimates that closing the gap between women's and men's participation would increase India's gross domestic product by more than 30 percent over the next three decades.

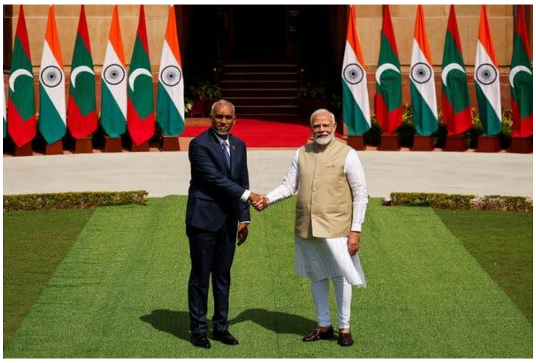
A focus on inclusivity would also ease India's religious tensions, bringing into the fold the nation's Muslims (roughly 200 million people, one-seventh of the country), who face persistent persecution. It would also be in character for a country that is an open, pluralistic democracy with a Hindu majority, a religion almost defined by its pluralism and tolerance.

India has the potential to be admired for not just the quantity of its growth but also the quality of its values. And that would truly be an incredible India.

News Analysis

3- Faced With Regional Setbacks, India Flexes Its New Economic Muscle

Tapping into a fast-growing economy, Prime Minister Narendra Modi has been offering financial help to India's neighbors as he tries to counter China's influence.



Prime Minister Narendra Modi of India, right, with President Mohamed Muizzu of the Maldives in New Delhi on Monday. Mr. Muizzu called India, which offered more than $750 million in aid, "a key partner."Credit...Adnan Abidi/Reuters

The New York Times, Oct. 10, 2024 **By Mujib Mashal,** Reporting from New Delhi

As political turmoil churns India's immediate neighborhood, Prime Minister Narendra Modi's government has been using a relatively new asset to compete with China for influence: the financial wherewithal that comes with a fast-growing economy.

When Sri Lanka suffered economic catastrophe in 2022, India stepped in with over $4 billion in aid. In tiny neighboring Bhutan, which has boundary disputes with China, Mr. Modi this year doubled India's assistance, to $1 billion over five years. In Bangladesh, he provided billions for infrastructure projects to back that country's autocratic leader, who promoted India's interests until she was ousted in August.

The latest beneficiary is the Maldives. Its new president, Mohamed Muizzu, campaigned last year on an "India Out" platform, demanding that Mr. Modi withdraw a small military contingent from the archipelago nation. But that seemed forgotten on Monday, when Mr. Muizzu arrived in New Delhi for a state dinner, a photo opportunity at the Taj Mahal with his wife, and over $750 million in Indian aid, in the form of currency swaps, to bail his government out of extreme fiscal stress.

"India is a key partner in the socioeconomic and infrastructure development of the Maldives and has stood by the Maldives during our times of need," said Mr. Muizzu, standing next to Mr. Modi.

An India-funded housing project in the Maldives. India's economic success is giving it more regional leverage.Credit...Elke Scholiers for The New York Times

India's economy is growing at about 7 percent while China and its other neighbors struggle to return to prepandemic growth levels, according to the World Bank. Political and business leaders increasingly see India, despite frustrations with its bureaucracy, as an exciting partner for deals and trade agreements, with an economy that has yet to reach its full potential.

Want to stay updated on what's happening in Central Asia and East Asia? Sign up for Your Places: Global Update, and we'll send our latest coverage to your inbox.

Many poorer Indians have seen little benefit from that growth, as the country still struggles to generate enough employment. But it has provided the government with much-needed cash to grease diplomatic wheels, while China's economic struggles have forced it to somewhat reduce its regional largess.

The newfound leverage is coming in handy for India. It has faced repeated diplomatic setbacks in the region, where its traditional influence had been waning in the face of China's aggressive push. Over the past year, India-friendly leaders in at least three countries were either voted out or toppled in protests.

"India is able to deploy much more power now in the neighborhood, and the economic clout is far stronger than it was — there's no doubt about it," said Nirupama Menon Rao, who was once India's foreign secretary. "But the political interests that bind us to the neighborhood, I think they are constant."

Even leaders in the region who are "traditionally labeled or stereotyped as anti-India" have little choice but to work with New Delhi, Ms. Rao said. That is not just for immediate financial help, but to align themselves with India in the longer term, in the hope that its economic potential can bring them future windfalls.

Regional leaders are showing a "high seriousness in understanding the growing economic clout and the place that India is taking on the global stage," Ms. Rao said. India, in turn, is taking a more pragmatic approach to some of its neighbors than it once did, avoiding "histrionics" and "diplomatic theater," she said.

A hard lesson came this year from Bangladesh, the country of 170 million people that shares a 2,000-mile border with India.

India was seen as a staunch protector, financially and diplomatically, of Sheikh Hasina, Bangladesh's increasingly autocratic prime minister. As Ms. Hasina persecuted critics and opponents, India used its diplomatic leverage to urge her Western critics to back off. In Bangladesh, anger against her began to translate into anger against India.

When she was driven out of office in August — toppled by huge protests, which surged drastically after her security forces killed hundreds of demonstrators — Ms. Hasina fled to India. Her continuing presence there has created a dilemma: On the one hand, India wants to signal that it will stand by its friends. But sheltering Ms. Hasina will cause problems as India tries to regain ground with Bangladesh's new political powers.

Protesters stormed the residence of Sheikh Hasina in Dhaka, Bangladesh, in August, after she resigned as prime minister and fled the country.Credit...Parvez Ahmad Rony/Agence France-Presse — Getty Images

But Paul Staniland, a political scientist at the University of Chicago and the Carnegie Endowment for International Peace whose research focuses on South Asia, called that a more "mundane" challenge than it might once have been, and said India's growing economic might was an important reason for that.

"India's neighbors are certainly interested in autonomy from India and having the option to engage with China and other outside states. But India is a massive economic and political presence that all governments have to at least do business with," Mr. Staniland said.

He added that some of India's regional relationships were now characterized by "a restrained and respectful posture from Delhi combined with tangible efforts to cooperate," echoing a point made by Ms. Rao. That approach, he said, "limits nationalist backlash in these neighboring states while creating incentives to work together."

India's current relationship with Sri Lanka is one example. After the island nation's civil war ended in 2009, China established a huge presence there, bankrolling the lavish development projects of a populist president. Officials in Colombo, even ones sympathetic to India, complained that New Delhi's outreach was slow and bureaucratic by comparison.

Sri Lanka's economic collapse two years ago, largely caused by mismanagement and reckless spending, changed that perspective. China was seen as conspicuously absent, and it was hesitant about renegotiating the terms of Sri Lanka's debt. India seized the opportunity, stepping in with $4 billion in various forms of support.

Image

Its change of approach was even more visible on the political front. Once it became clear that Sri Lanka's old guard, including politicians close to India, had been discredited by the economic collapse, Mr. Modi's government began warming up to other players.

Months before the September presidential election, it hosted Anura Kumara Dissanayake, the leader of a small leftist party with an anti-India past. He seemed best positioned to ride the public's anger into office, and both sides clearly wanted to overcome that history. When Mr. Dissanayke won a comfortable victory last month, India's top diplomat in Colombo was there within hours to congratulate him.

Ms. Rao said India's traditional ties with its neighbors, combined with its growing financial resources, would serve it well in its competition with China.

"China continues to flex a lot of economic muscle, there's no doubt," Ms. Rao said. "But China, I think, has not really demonstrated its capacity to be the kind of first responder that India is when it comes to crisis situations that face our neighbors. And that, I think, is a very critical factor."

Suhasini Raj contributed reporting.

4- India Was the Economic Alternative to China. Trump Ended That.

A lurch in policy has shaken the India-U.S. economic alliance against China, leaving India little choice but to consider reversing its own strategy.

Construction at the site of the Foxconn Apple Project in Bengaluru, India. Foxconn is the main contract manufacturer for Apple, which has become a touchstone for India's China Plus One approach. Credit...Saumya Khandelwal for The New York Times

By Alex Travelli and Hari Kumar? Reporting from New Delhi

The New York Times, Sept. 1, 2025

President Trump's 50 percent tariffs landed like a declaration of economic war on India, undercutting enormous investments made by American companies to hedge their dependency on China.

India's hard work to present itself to the world as the best alternative to Chinese factories — what business executives and big money financiers have embraced as part of the China Plus One strategy — has been left in tatters.

Now, less than a week since the tariffs took full effect, officials and business leaders in New Delhi, and their American partners, are still trying to make sense of the suddenly altered landscape.

Just how much things have changed was evident from Prime Minister Narendra Modi's visit to China over the weekend to meet with Xi Jinping, China's top leader. Trade and political relations between India and China have been strained, at times severely, and it was Mr. Modi's first trip there in seven years.

The China Plus One approach has been critical to India's budding ambitions to become a factory powerhouse. Manufacturing growth, especially in high-end sectors like technology, was seen by India as addressing chronic problems like the underemployment of its vast population of young workers. Now pursuing that path, without the support of Washington, and in potentially closer coordination with China, promises to be even more difficult.

Mr. Trump's tariffs are already causing dislocation in supply chains. India has been rendered far less enticing to American importers. Companies can go to other places for lower tariffs, like Vietnam or Mexico. A U.S. court ruling, which on Friday invalidated the tariffs but left them in place while Mr. Trump appeals, did nothing to repair the rupture between the countries.

The "Trump shock will reduce manufacturing export growth and kill even the few green shoots of China Plus One-related private investment," four Indian economists, including a former chief economic adviser to Mr. Modi, wrote in an Indian newspaper last week.

India still aspires to become one of the world's three largest economies. It is currently fifth and on pace to overtake Japan soon. If the United States won't help or, worse, gets in its way, India has no choice but to get closer to Beijing, even as it holds to its goal of becoming a stronger manufacturing rival to its giant neighbor.

"China Plus One, minus China, is too difficult," was the wry reaction of Santosh Pai of the New Delhi law firm Dentons Link Legal. Mr. Pai is near the center of gravity: He set up a practice advising companies from all three countries. "They have to reconcile themselves to seeing China as part of the supply chain," he said.

But the India-China relationship is as complicated as they come. The countries have armies ranged against one another, across their disputed borders in the Himalayas. A decade of cross-border incursions culminated in June 2020 with hand-to-hand combat that killed at least 24 soldiers. But the economic conflict was already burbling under the surface.

Early in the Covid-19 pandemic, with its stock market nose-diving, India was alarmed to discover that China's central bank had quietly acquired 1 percent of one of India's biggest private banks. India responded by blocking many forms of investment from China. Eventually it kicked out most Chinese venture capital from its tech start-up hubs and barred more than 200 Chinese apps, including TikTok.

China has an even larger arsenal of economic weapons. It has restricted India's access to rare earths and dozens of other technologies that India needs to keep its factories running.

"These past five years, with the stalemate, China has progressively weaponized everything," Mr. Pai said. He counts 134 industrial categories that China controls, creating Indian vulnerabilities.

But Mr. Trump's weaponization of economic policy has dealt a much crueler blow to Indian companies. Business people in Moradabad, a center of handicrafts and light industry less than 100 miles from New Delhi, said they felt betrayed.

"Most people are still in shock," said Samish Jain, a manager at Shree-Krishna, a family-owned company that makes a full range of housewares, 40 percent of them bound for the American market. Until the final deadline came on Aug. 27, he said, "everyone was like 'no, this isn't going to happen.'"

Now that it has happened, Mr. Jain is groping for a way out, along with the many Indian suppliers and American customers of his company and thousands of others. India's government is announcing programs to help businesses financially, but Mr. Jain said they would not be enough to keep Shree-Krishna from having to make hard choices.

Our economics reporters — based in New York, London, Brussels, Berlin, Hong Kong and Seoul — are digging into every aspect of the tariffs causing global turmoil. They are joined by dozens of reporters writing about the effects on everyday people.

"I have people working in my factory since when my dad started this business 30 years ago," Mr. Jain said. "We can't just let them go." He is trying to find new markets for their goods, in the Middle East, Europe or India itself. But so is everyone else in his predicament.

Mr. Modi came to China under tremendous pressure. India's marketing of itself as an option for multinationals that want to move production out of China was not lost on the Chinese leadership.

"I think both are going into this as a dilemma because it's fundamentally a competitive relationship," said Tanvi Madan, a senior fellow at the Brookings Institution in Washington.

Even before Mr. Modi's diplomatic visit, India and China were talking about resuming direct flights between the countries and opening trading posts along the border. The meeting in Tianjin, China, on Sunday, didn't produce any joint agreements, but India's foreign ministry said that Mr. Modi and Mr. Xi made plans "to expand bilateral trade and investment ties."

China has at times made it hard for the Taiwanese giant Foxconn to send Chinese engineers to India. Foxconn is the main contract manufacturer for Apple, which has become a touchstone for India's China Plus One approach. Apple still makes a majority of its iPhones in China but has in recent years shifted more of that work to India.

And on its side, India has been refusing to grant some business visas to Chinese investors.

China is eager to invest in India. Now, national security concerns notwithstanding, India will be hungrier for a new inflow of foreign exchange as its $129 billion trade in goods with the United States unravels.

Foxconn is an example of the tricky spot Mr. Modi is in, and also of how India could benefit from warmer ties with China.

In June, Big Kitchen, a Chinese restaurant catering to East Asian expatriates working at the newest iPhone plant near the Indian city of Bengaluru, was desolated. A Foxconn employee from Vietnam, sharing a dish of twice-cooked pork, grumbled that his Chinese colleagues were stuck outside the country, leaving him and a smaller number of non-Chinese engineers to train thousands of new Indian workers.

If India makes it easier for China to invest in Indian companies, China could make it easier for India to take a few steps in its direction.

"We want the Chinese to come in," said Mr. Pai, the New Delhi business lawyer. India would be "grateful," he added, for some kinds of Chinese investment, especially in technology, because it would bring jobs to India.

China and the United States have been India's two most important trading partners, each indispensable in some ways. But India is relatively small fry to both, in terms of imports and exports.

If this were a love triangle, India would be the jilted lover. Mr. Trump has, with the 50 percent tariffs and his advisers' hostile remarks, dumped it. That casts a shadow over Mr. Modi's new approach to Mr. Xi.

The direction is clear, even though important details are not. "China has not showed its hand yet," Mr. Pai said. By contrast, "India has a huge dependency on China for imports. It's clear what India wants."

Finance & economics | Free exchange

5- What explains India's peculiar stability?

In a tricky neighbourhood the country remains calm

The Economist, Nov 6th 2025

An economist with super-hero vision might stand in New Delhi, gaze in every direction and see turmoil. In Nepal, India's neighbour to the north-east, "Gen Z" protests erupted earlier this year over inequality, as the scions of political dynasties flaunt their luxury holidays and designer clothes on Instagram while ordinary Nepalis struggle with unemployment. Further east, Bangladesh's students led a revolution last year to overthrow Sheikh Hasina, who had been prime minister since 2009. Among their grievances was a quota system that reserved state jobs for descendants of war veterans. To India's south, Sri Lankans stormed the presidential palace in 2022, forcing Gotabaya Rajapaksa, the president, to flee. Mr Rajapaksa had presided over an economic crisis that left the country bankrupt, with fuel and medicine running out. To the west, Pakistan faces protests by supporters of an imprisoned former prime minister and yet another IMF rescue.

But not India. South Asia's largest economy is surprisingly stable. This year the country has been both a victim of President Donald Trump's trade war, singled out for especially punitive tariffs owing to its purchases of Russian oil, and a participant in a shooting war with nuclear-armed Pakistan. Its economy has barely noticed. Bangladesh, Nepal and Sri Lanka are all participating in IMF programmes, along with Pakistan. Meanwhile, India's ten-year government bonds yield less than 7%, down slightly from the start of the year and far below the 12% that Pakistan and Sri Lanka are forced to cough up. India's foreign-exchange reserves sit at around $700bn, or 18% of GDP—sufficient for 11 months of imports. Growth ticks along at 6-8% a year.

India has not always been as stable as it is today. Since gaining independence from Britain in 1947, the country has suffered repeated balance-of-payments problems. In 1965 a war with Pakistan, which followed a devastating drought, left it dependent on food aid in return for which America made it devalue the rupee. In 1991 a spike in oil prices caused by the Gulf War, and a collapse in remittances from workers in Kuwait, prompted another blow-up. The government was forced to airlift gold to Britain to act as collateral for loans. Manmohan Singh, India's finance minister, did, however, take advantage of the crisis, using it as an excuse to begin dismantling the "licence raj" system of export controls and float the currency. That helped stabilise the economy.

Yet as recently as 2013 the country was still at the mercy of global capital. It was counted in "the fragile five" group of emerging markets by Morgan Stanley, a bank, alongside Brazil, Indonesia, South Africa and Turkey; all were vulnerable to rising American interest rates. During the "taper tantrum", as America began to scale back its post-financial-crisis quantitative-easing programme, the rupee fell by 20% from May to August. The government responded by cleaning up the country's banks, forcing lenders to recognise bad loans and reforming the bankruptcy code. Non-performing loans fell from 15% in 2018 to 3% this year.

Fiscal conservatism has helped, too. Sri Lanka's recent crisis was prompted by unfunded tax cuts and deficit spending enabled by printing money. India runs twin deficits, both fiscal and current-account, but has trimmed its budget deficit from 9% at the start of the covid-19 pandemic to under 5%. The government plans to cut its debt-to-GDP ratio from 57% to 50% by 2031. Although manufacturing exports have underwhelmed, revenue from services exports—mostly business-process and IT outsourcing—now amounts to 15% of GDP, up from 11% a decade ago, which has reduced India's dependence on foreign-capital inflows.

Even oil, long India's sore spot, is less of a problem these days. That is partly because oil prices have been relatively low over the past couple of years. But it is also because the government and industry have reduced the economy's sensitivity. Strategic oil buffers and new refinery capacity make a difference; so, too, does cheap imported Russian crude, which last year saved around $8bn in foreign exchange, even as it attracted Mr Trump's ire. A mandate to mix ethanol into petrol, introduced in 2021, has annoyed drivers who fear for their engines but delighted sugar-cane farmers and reduced the fossil-fuel import bill still further.

Deep breaths

The lack of a balance-of-payments crisis is not the only reason young Indians have not taken to the streets. Just as in Nepal plenty of inequality is to be seen on social media (though much of it comes from Bollywood stars, who have at least earned their riches). Access to government jobs, as in Bangladesh, causes grievances: more than half are reserved for "backward" castes or other disadvantaged groups, which annoys everyone else. The graduate unemployment rate was 29% last year, partly because many repeatedly attempt the civil-service entry exams. Others are underemployed in gig work or engage in "timepass", the Indian-English term for aimlessly killing time.

Perhaps other avenues for Indian discontent direct it away from politics. In March riots broke out in Nagpur, a city of 3.5m in Maharashtra. The target was no one currently in power—it was the tomb of Aurangzeb, a 17th-century Muslim emperor who oppressed Hindus. But there is also a more optimistic explanation for the lack of protests: India's obviously growing economy appears to foster a sense that better things really are on the way. A survey by the Centre for Monitoring Indian Economy, a data provider, asks Indians to rate their life satisfaction on a scale of one to ten. Although at the moment most plump for a score of four or five, they are more hopeful about the future. In five years' time they expect a score of six or seven. It is easier to put up with anything, even the stresses and strains of life in a turbulent south Asian economy, if you don't expect it to last for ever. ■

On the economy and growth, see also

● **No 'dead economy'? India may surpass US as 2nd largest economy in PPP by 2038, despite Trump tariffs**
Times of India, August 29, 2025
https://timesofindia.indiatimes.com/business/india-business/no-dead-economy-india-may-surpass-us-as-2nd-largest-economy-in-ppp-by-2038-despite-donald-trump-tariffs/articleshow/123567475.cms

NEW TECHNOLOGIES

Leaders | Artificial intelligence

6- India could be a different kind of AI superpower

It won't look like America or China. It could still be a winner


Illustration: Ben Hickey

The Economist, Sep 18th 2025

Artificial intelligence (AI) is taking off in India. The country is now the second-largest market for OpenAI, whose ChatGPT service has 700m active users worldwide. Anthropic, another AI startup, also counts India as its second-largest market by usage. That reflects not just India's huge population but also its appetite for new technology. According to BCG, a consultancy, 92% of Indian office workers regularly use AI tools, compared with 64% in America. In contrast to rich countries, a large majority of Indians believe AI's benefits outweigh its risks.

The enthusiasm has been boosted by the "blitzscaling" tactics of Silicon Valley firms. OpenAI is selling access to a chatbot in India for a fifth of the price of its cheapest

American plan. Grok, from Elon Musk's startup, xAI, is priced at a quarter of its American rate. Perplexity, a generative-AI upstart, has made its service free for a year to all 360m users of Airtel, a big Indian mobile operator.

Even in India, however, the boom in AI causes anxiety. The country's youth-unemployment rate stands at 16%. Jobs in manufacturing have grown far less than had been hoped, in part because of rising automation—a trend that AI threatens to accelerate. White-collar work is starting to look wobbly, too. Tata Consultancy Services, India's biggest IT-services firm, recently said that it would cut 12,000 staff in order to become "future ready". Jefferies, an investment bank, predicts that more IT firms will follow.

A second fear is foreign domination. Some Indian policymakers and investors fret that their country will come to rely on AI products and services that are controlled by firms from abroad. Keen not to be left out of the model race, the government has tapped Sarvam AI, a local startup, to build India's first home-grown foundational model.

Such worries are understandable. Yet India stands to gain far more by embracing AI than it will lose. Many benefits of being open to global tech firms are already plain. The country's payments network, which handles around 700m transactions a day, is piloting the use of AI to spot fraud in real time. Deeper transformations may emerge. AI assistants might help mitigate India's chronic shortages of teachers and doctors.

Foreign dependency is also less of a problem than it may seem. True, India does not create the latest models or the fastest AI chips. But its firms can innovate in a distinctive way, by turning AI into world-beating products and services. India has the world's second-largest pool of developers on GitHub, a coding platform, and a vast domestic market in which global tech giants and local firms compete side by side. That gives its firms both the talent and the testbed to create usable, affordable services that do the sorts of things that ordinary people want from AI.

Already, Indian users are shaping how the most popular AI models develop. Voice, not text, has quickly emerged as the dominant way of interacting with AI tools in India, in part because some users struggle to read. Indian firms are especially adept at designing services for a varied audience.

The "India Stack"—India's digital platform for biometric identification and payments—has already become a model for other countries. Products infused with AI could be the next export of this kind: frugal, scalable innovation that is pioneered in India but adopted across the developing world. India's path will not mirror America's or China's. But it could prove no less consequential. For billions in poorer countries, the shape AI takes could depend on what happens in India. ■

The World Ahead | By Invitation: Asia in 2026

7- AI will change India, and India will change AI, says the chairman of Infosys

India will show how AI can improve everyday lives, says Nandan Nilekani

Illustration: Iris Legendre

The Economist, Nov 12th 2025|

By Nandan Nilekani, co-founder and chairman of Infosys

USING A BASIC feature-phone, a Marathi-speaking farmer can now consult a chatbot for advice on soil, seeds and irrigation, and receive local guidance in his own language. The potential is clear, but so is the risk: a mistranslation or a bad recommendation can have costly consequences. For artificial intelligence to work at this scale, its answers must rest on credible, accountable sources whose authority can be traced and verified. In India, this includes agricultural universities, co-operatives and government departments. Safety, in this context, means technical reliability coupled with institutional accountability.

The adoption of AI in India has been rapid, with millions of users regularly using AI applications. Yet the real test lies not in numbers or downloads, but in whether India can turn the opportunities of AI into safe, inclusive growth that benefits everyone.

India's digital public infrastructure provides the model. Its shared digital rails were built by the state but opened up for private-sector innovation. Aadhaar, the national biometric-identity platform, now covers more than a billion people. The Unified Payments Interface processes around 20bn transactions each month. Together, they show how technology can scale up and serve real needs. In 2026, the principles that shaped this digital infrastructure—

openness, interoperability, inclusion and co-creation—should also guide the development and use of AI, to ensure it remains human-centred and trustworthy.

India's greatest contribution may be to prove that AI can improve everyday lives

Safety in India is not an abstract concept. When the monsoon is delayed, people want to know who stands behind a recommendation. Citizens tend to trust institutions rather than algorithms. If AI is to be adopted by the whole population, it must carry the credibility of trusted institutions, with traceable sources and advice that can be questioned or corrected. That means embedding safeguards right at the foundation: knowing how models are trained, checking the interpretability of outputs, and using sandboxes to test systems before deployment. India should set benchmarks that reflect its linguistic and cultural realities, alongside frameworks for data exchange and interoperability. Such measures create the conditions for institutions to trust AI.

Indeed, India's greatest contribution may come from proving to the world that AI can improve everyday lives when linked to real needs. Trust drives adoption, and adoption provides feedback that improves systems.

Many examples show how this can work. Researchers from AI4Bharat, a laboratory at the Indian Institute of Technology Madras, worked across 400 districts, collecting over 12,000 hours of recorded speech, 783m translated sentences and data from nearly 2,000 field-workers in all 22 of India's official languages. The resulting open data-sets have improved accuracy and inclusion in India's AI ecosystem, giving it a linguistic base unmatched elsewhere.

Bhashini, the government's AI-powered language platform which provides translation, transcription and other services, is used by more than 300m people. AXL, an education platform from the EkStep Foundation, provides personalised literacy and numeracy support for millions of students in government schools. And in Maharashtra, MahaVISTAAR provides voice- and text-based agricultural advice in Marathi for more than 15m farmers.

India's earlier digital successes with payments and digital identity worked because services and information could move freely across open rails. AI needs to work the same way, allowing models to be swapped, data to be verified and services to be seamlessly combined. Interoperability, not just sheer scale, is what converts isolated success stories into a national ecosystem. Sustained adoption depends on embedding AI into everyday workflows.

India has become one of the largest markets for the world's leading AI firms. It is also the place where the technology's possibilities and limits are most visible. I invite global companies, academics and innovators to test their systems in India in 2026—at national scale, with safety, interoperability and accountability built in. Done right, adoption here will not only improve public services, but also enrich the science of AI itself, through feedback from hundreds of millions of users.

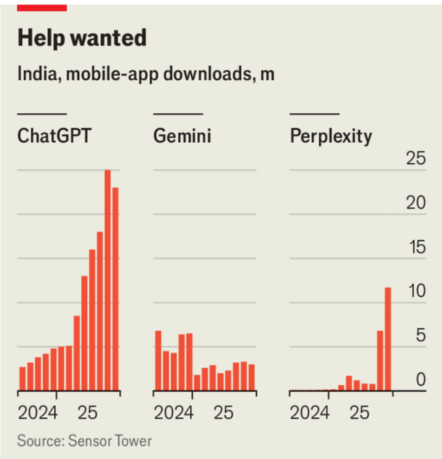
The hardest places to make artificial intelligence work are also the places where it matters most. If AI can serve India's classrooms, clinics and farms, it can serve the world.

8 - AI is erupting in India

American firms are piling on users—and sucking up mountains of data
The Economist, Sep 17th 2025

Sam Altman is bullish about India. The co-founder of OpenAI, the firm behind ChatGPT, says the country's adoption of artificial intelligence (AI) has been "unmatched anywhere in the world". India is already OpenAI's second-largest market by number of users and could soon be its biggest. In August OpenAI launched a cheaper version of its chatbot tailored for Indian users. It plans to open an office in New Delhi later this year. Mr Altman is himself due to visit India at the end of this month. According to Bloomberg, a news organisation, he may use the trip to unveil plans to open a mammoth data centre there.

Other tech firms are just as keen. In January Microsoft, which is also an investor in OpenAI, pledged to spend $3bn over the next few years expanding its AI infrastructure in India. In August Google and Meta both announced partnerships with Reliance Industries, the conglomerate run by Mukesh Ambani, India's richest man, to build data centres and push the use of AI in Indian businesses. In July Perplexity, a startup hoping to dent Google's dominance in search, made the boldest move: it struck a deal with Bharti Airtel, one of India's biggest telecoms firms, to provide its AI service (usually $240 a year) free for a year to all 360m Airtel customers. According to Sensor Tower, a market-intelligence firm, downloads of Perplexity in India soared by almost 800% month-on-month after the Airtel tie-up, compared with gains of 39% and 6% for ChatGPT and Gemini (see chart).



For Indians, the battle promises cutting-edge AI tools at extremely low cost. For AI firms, the payoff may lie less in revenue than in reach: the chance to lock in hundreds of millions of users, and the torrents of data they create.

The opportunities in India are staggering. The country has around 900m internet users; only China has more. But unlike China, India is open to American tech firms. Google's Android powers over 90% of the country's smartphones. WhatsApp, owned by Meta, has more than 500m active users. India's e-commerce sector is dominated by American giants: Flipkart, owned by Walmart, and Amazon. American firms that already have millions of users for products such as search, shopping or messaging have a big head start when it comes to driving uptake of AI services. And Venugopal Garre of Bernstein, a research firm, says tech firms that do well in India can add users at a speed and scale that few other markets can match.

Yet wringing profits from this vast user base will be an altogether trickier task. Most tech firms charge less in India than they do elsewhere. For example, Netflix, a video-streaming service, costs as little as $1.69 a month in India, compared with $7.99 in America. For cloud services with a low marginal cost, this is no great sacrifice. But running AI queries is expensive. Processing costs for typical users currently hover at around $0.07 per million "tokens" (the units of data processed by AI models) and the response to a single query can run to hundreds or thousands of tokens. That expense is the same whether the user is in Bangalore or the Bay Area.

Dmitry Shevelenko, Perplexity's chief business officer, admits that giving away its service for a year is costly, but says the company has time to "prove ourselves" and convert users into paying customers. India, he notes, shows some of the highest engagement in the countries where Perplexity has run trials. Mr Shevelenko predicts that within five years India will be a "compelling subscriptions market". That remains to be seen. Though India is vast in users it is small in paying customers, as many other firms have discovered.

Fortunately, subscribers are not the only draw. India's internet user base is huge, diverse and messy. It encompasses people from many different language groups; it jostles together people who are very wealthy with some who are extremely poor. An executive at a leading AI model-maker describes the country as an ideal "testing ground" for new products, and for observing usage at scale. Already firms are noting that Indian users prefer to speak to their AI models, rather than to type out their queries—perhaps because many Indian internet users cannot read or write.

AI firms have mostly already scoured all large public data sets for information they can use to improve their models. So Indian users are a valuable new source of material to crunch. The country has built a robust digital backbone known as the "India Stack", which bundles together state-led services such as a biometric ID system and a digital payments system. That infrastructure has brought online hundreds of millions of people who were previously locked out of many internet services. Their queries provide precious and novel real-world data that can help fine-tune models.

India's regulatory regime helps. Konark Bhandari of the Carnegie Endowment for International Peace, a think-tank, notes that rules do not restrict companies from transferring data across borders. There is, he adds, "nothing on the books" to prevent data collected in India being used to train models overseas. As other sources of fresh data run dry, the potential fire hose in India is a prize few AI firms can ignore.

Indian consumers mostly welcome the arrival of foreign AI firms. But some worry about the impact on the country's big IT-services firms. And many fear long-term dependence on American platforms. That anxiety has only grown since President Donald Trump imposed steep tariffs on India. Mr Garre argues that American firms, with more money and stronger infrastructure, could "kill India's prospects" in AI by deterring investment in local startups. That, he warns, could echo previous periods of fast technological innovation—when Indian companies mostly settled for rigging up peripheral services while their American peers constructed the core platforms. Though the country has one of the largest populations of developers, the number of AI researchers is low.

Mr Altman offers a cheerier vision. India, he has said, can be "one of the leaders of the AI revolution". The question is what sort of leader it will choose to be: one that dominates by dint of its massive user base, or through creating its own technology? ■

9 - AI is transforming Indian call centers. What does it mean for workers?

To understand how AI will reshape the future of work, there are few better places to start than India's $280 billion business process outsourcing sector.

The Washington Post, June 22, 2025, By Karishma Mehrotra

GURGAON, India — For three years, Kartikeya Kumar hesitated before picking up the phone, anticipating another difficult conversation with another frustrated customer.

The call center agent, now 29, had tried everything to eliminate what a colleague called the "Indian-ism" in his accent. He mimicked the dialogue from Marvel movies and belted out songs by Metallica and Pink Floyd. Relief finally arrived in the form of artificial intelligence.

In 2023, Kumar's employer, the Paris-based outsourcing giant Teleperformance, rolled out an accent-altering software at his office in Gurgaon, on the outskirts of New Delhi. In real time, the AI smooths out Kumar's accent — and those of at least 42,000 other Indian call center agents — making their speech more understandable to American clients on the other end of the line.

"Now the customer doesn't know where I am located," Kumar said. "If it makes the caller happy, it makes me happy, too."

His experience offers a glimpse into how generative AI — turbocharged by the release of ChatGPT — is reshaping India's massive service industry and is a data point for optimists who believe the technology will complement, rather than replace, human workers.

Sharath Narayana, co-founder of Sanas, the Palo Alto, California-based start-up that built the tool, said AI has actually helped create thousands of new jobs in India, which was overtaken by the Philippines as the world's largest hub for call centers more than a decade ago, due in part to accent concerns.

"We don't see AI as taking jobs away," said MV Prasanth, the chief operating officer for Teleperformance in India. "We see it as easier tasks being moved into self-serve," allowing Kumar and his colleagues to focus on "more complex tasks."

Those who use the software are engaging in "digital whitewashing," critics say, which helps explain why the industry prefers the term "accent translation" over "accent neutralization." But companies say it's delivering results: happier customers, satisfied agents, faster calls.

Many are not convinced. Whatever short-term gains automation may offer to workers, they say, it will ultimately eliminate far more jobs than it creates.

They point to the quality assurance process: When callers hear, "this call may be monitored," that now usually refers to an AI system, not a human. Teleperformance says such systems now review all calls for compliance and tone — tasks that workers could previously perform for only a small fraction of calls.

"AI is going to crush entry-level white-collar hiring over the next 24 to 36 months," said Mark Serdar, who has spent his career helping Fortune 500 companies expand their global workforce. "And it's happening faster than most people realize."

'A rapid wave'

To understand how AI will reshape the future of work, there are few better places to start than India's $280 billion business process outsourcing, or BPO, sector.

"We will always be at the frontier of this question," said Brian Johnson, CEO of the outsourcing firm Transcom. "And there is no match to India for its scale, the youth, the intelligence, the hunger for work."

The stakes for India couldn't be higher. It is the world's largest destination for offshoring, which has remained among the few drivers of job creation at a time of deepening unemployment. An estimated 3 million Indians provide customer support, software development, accounting, marketing and other back-office operations for the likes of Verizon, JPMorgan, Microsoft, Walmart, HSBC and Shell.

Some Indian companies are already bracing for a crisis. "Areas like BPO and coding are in trouble and will get replaced by generative AI," said Ajai Chowdhry, co-founder of one of the country's largest IT consulting firms, Hindustan Computers Limited. "India needs to altogether shift to designing and making products instead of services," he said.

Already, chatbots, or "virtual agents," are handling basic tasks like password resets or balance updates. AI systems are writing code, translating emails, onboarding patients, and analyzing applications for credit cards, mortgages and insurance.

The human jobs are changing, too. AI "co-pilots" are providing call center agents with instant answers and suggested scripts. At some companies, bots have started handling the calls.

There is no shortage of ominous predictions about the implications for India's labor force. Within a year, there will only be a "minimal" need for call centers, K Krithivasan, CEO of Indian IT company Tata Consultancy Services, recently told the Financial Times. The Brookings Institution found 86 percent of customer service tasks have "high automation potential." More than a quarter of jobs in India have "high exposure" to AI, the International Monetary Fund has warned.

"There is a rapid wave coming," said Pratyush Kumar, co-founder of Sarvam, a leading Indian AI firm, which recently helped a major insurance provider make 40 million automated phone calls informing enrollees that their insurance program was expiring. He said corporate clients are all asking him to help reduce headcount.

"You can't hide from a trend like this," Kumar said.

The tremors are also being felt at Indian universities, which produce more than a million engineering graduates each year. Placement rates are falling at leading IT firms; salaries have stagnated.

"The entire hope for four years of college that 'I will get a job in the IT industry' — that's dashed, at least for the short term," said Kris Gopalakrishnan, a co-founder of Infosys. "That story, in India, is life-changing."

The human edge

While AI may be phasing out certain jobs, its defenders say it is also creating different kinds of opportunities. Teleperformance, along with hundreds of other companies, has hired thousands of data annotators in India — many of them women in small towns and rural areas — to label training images and videos for AI systems. Prompt engineers, data scientists, AI trainers and speech scientists are all newly in demand.

"People think AI just eliminates the need for people," said Nick Richards, head of AI at CXponent, a customer service advisory firm. "It happens in pockets, but as an outlier. What we are seeing is that it is adding value to individual people.

Veteran BPO leader Raman Roy believes India has a formidable buffer against AI: its back-office work is increasingly complex, making it more immune to automation. "The number of people required for the same number of calls may only marginally reduce due to AI-assisted calls," he said.

At some firms, those who previously worked in quality assurance have transitioned to performance coaching, said Narayana, whose previous firm, Observe.ai, also built QA software. Still, he admits, 10 to 20 percent of workers he observed "could not upskill at all" and were probably let go.

Even the most hopeful admit that workers who can't adapt will fall behind. "It's like the industrial revolution," said Prithvijit Roy, Accenture's former lead for its Global AI Hub. "Some will suffer."

Industry experts say "re-skilling" must emphasize not just AI training but also human connection — helping workers get better at building trust, communicating clearly and showing empathy. "AI might stunt the growth rates of jobs that are manual and predictable, but it will not eliminate human-to-human interaction on the whole," Narayana said.

More complex, revenue-driven interactions — like sales calls, which require relationship building — could increasingly shift to India if those skills are further strengthened, said Richards, the outsourcing consultant.

"A customer may still want to talk to somebody and get some reassurance," said Prasanth, the Teleperformance executive. "That human emotion is not going to go away."

Back at the company's call center in Gurgaon, that sentiment was echoed by Sagar Rana, a 23-year-old customer service agent. "AI can never have the human touch," he said.

And if AI keeps advancing? "I will evolve accordingly," Rana said. "It's human nature to evolve."

10 - The unsustainable boom in India's Silicon Valley

Over the past two decades, Bengaluru has seen explosive growth in its tech sector. But the city's infrastructure is not keeping up with the expansion

Krishn Kaushik in Bengaluru and Chris Kay in Hyderabad

The Financial Times, AUG 26 2025

In parts of Bengaluru, the southern India city and tech hub, you could be mistaken for believing you were in Palo Alto. The campuses for tech behemoths like Google and Microsoft, or Wall Street majors including Goldman Sachs or Morgan Stanley, feature multi-cuisine canteens, crèches and gyms much like their counterparts in New York or San Francisco.

But any confusion about geography would dissipate on the typical weekday commute, when it can take almost four hours to drive along the nine-mile stretch of road where some of the world's largest multinationals have their offices.

And unlike in Silicon Valley, these swanky world-class offices lack access to piped water. While most of these campuses have built water conservation units, they have to rely on a network of truck-mounted water tankers every day to fulfil the needs of the area's million or so employees.

The overburdened Outer Ring Road business district is part of the wider upending of Bengaluru, formerly and still widely known as Bangalore, from a serene "pensioner's paradise" with its mild climate to a concreted and congested megacity.

After welcoming a wave of tech industry investment, the metropolis has become one of the starkest illustrations of India's struggles to build the infrastructure that will be needed to keep its economy growing at a brisk rate.

"This staggering growth was not foreseen," says Manas Das, president of the Outer Ring Road Companies Association, which represents about 500 companies such as Adobe, Boeing and Intel, with offices in Bengaluru.

Das's organisation has not only had to help some of the world's largest corporations source water, but also lobby the city's authorities to get to work belatedly to widen the roads and even convince them to extend a long-delayed metro line to the district.

"Once you enter into the tech parks you will see a different world," says Das. "The question is getting in and getting out of here."

The issues facing Bengaluru are true of the larger malaise of India's unplanned cities at a time when the government is betting heavily on continued expansion in its tech sector. With manufacturing still lagging behind, India needs services, especially the almost $300bn tech industry, to bear the heavy load for its growing economy.

The country's abundant cheap tech talent is attracting more multinationals to open what are called Global Capability Centres, making those pressures acute.

These centres employ hundreds of thousands of Indians to support various back-office and digital functions, becoming a new and crucial growth engine for the world's fastest growing major economy as the global race in artificial intelligence heats up. Of the more than 1,800 GCCs in the country, Bengaluru is already home to around one-third of them.

Between 2005 and 2023, India's services exports grew six times from $53bn to $338bn and its share in global exports rose from around 2 per cent to over 4.5 per cent, while the share of merchandise exports remained below 2 per cent, according to Goldman.

But with tech services accounting for nearly half of service exports, and Bengaluru at its fulcrum, Goldman warned that the "resilient growth" of the sector cannot be taken for granted, with gaps emerging in tech talent and lagging investment in infrastructure posing a risk across various cities.

"From an environmental perspective, the growth in these sectors is putting pressure on the natural resources of cities," it said in a report last year, stressing that "Bengaluru, which has the largest share of IT companies and GCCs in India, is facing a water crisis."

In the first half of this year, 1.7mn sq m of office space, half the size of New York's Central Park, was bought or leased in Bengaluru, accounting for more than a third of India's total such transactions, according to real estate consultant Knight Frank. This was more than new leases of office space in Bengaluru for the entire 2024.

That build-up has choked Bengaluru. The city has become prone to annual flooding and its once benign climate is becoming noticeably hotter thanks to the reduction of its green cover and impact of climate change, with the city's development severely lagging behind its population influx.

Some of the city's most prominent residents have been openly critical. Pharma billionaire Kiran Mazumdar-Shaw wrote on X last month that "the state plunders [and] kills the golden goose with no responsibility to provide basic infrastructure [and] civic amenities — building rules are flouted to make money".

Another Bengaluru tycoon sitting inside a leafy company campus sighs in exasperation when asked about the strains on the city. Pointing to the logjammed roads outside the office, he says Bengaluru's administrators need to be placed on a "war footing" to sort it out.

A real estate chief executive says Bengaluru's authorities "can't plan for a moving target" and suggests an "embargo on leasing" for new offices.

TV Ramachandra, professor at Bengaluru's Indian Institute of Science, questions who the unrestrained development benefits. "If we are unable to supply the water, then why are we allowing the growth?" he says. "What is the point in claiming that we are a mega growth engine and all?"

Any city has to be "liveable" and people should have adequate infrastructure and basic amenities, Ramachandra adds, with Bengaluru failing at both these. "The citizens have lost the city.

Born in Bangalore in 1958, TV Mohandas Pai grew up in a city of fewer than 1mn people that bears little resemblance to the one that houses an estimated 14mn today. Once part of the royal kingdom of Mysore before British rule, Bangalore's location atop a ridge in the Deccan Plateau blessed it with pleasant summers and mild winters, a contrast to the harsher extremes endured by most other Indian megacities.

It was a "small town, nice town, there's no traffic, no cars, a few buses", the 66-year-old chair of angel investor Aarin Capital recalls, as the din of traffic builds outside his central Bengaluru office. "We used to play in the streets, go to the ground and play cricket, go to the library, cycle to college . . . go for long walks. Very nice life, nothing happened."

That began to change by the early 1990s, when the tech industry flocked to the city, then a sleepy military cantonment, university hub and home to a handful of state-run defence companies. Even before India's economy shook off the socialist "Licence Raj" restrictions, Infosys, now the country's second-largest IT services company after Tata Consultancy Services, had shifted its headquarters to the city, lured by ample space and low rents.

Others followed, including IT rival Wipro, originally founded as a vegetable oil maker in 1945 by the billionaire Premji family in western Maharashtra. The rapid ascent of the city's outsourcing sector became a byword for India's transformation and giddy economic opportunity.

It also sparked untrammeled building and property development. In 1973, the city enjoyed green coverage over 68 per cent of its land — today 88 per cent of Bengaluru is occupied by concrete structures, according to a study published in July co-authored by Ramachandra at the Indian Institute of Science.

Successive state governments in southern Karnataka, of which Bengaluru is the capital, have blamed the IT industry's explosive growth for the city's snarling traffic and infrastructure gaps.

Pai, who joined Infosys in 1994 and became a key figure in India's IT services sector as its chief financial officer and head of human resources over a 17-year tenure, counters that the state's administrators are at fault.

"They're not investing enough," Pai grumbles, as he rattles off an array of statistics on the city's growing number of start-ups, tech workers, as well as cars clogging Bengaluru's roads. "Our infrastructure is 15 years behind schedule — states in India don't know how to handle prosperity."

Other industry leaders suggest that electoral calculations are at play. Unlike New York or London, where the mayors are their political champions, political identities of Indian cities like Mumbai, Hyderabad and Bengaluru get drowned in regional politics controlled by the governments of Maharashtra, Telangana and Karnataka states, respectively.

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"Indian cities don't have political clout," says one tech executive, pointing out that Bengaluru only accounts for 28 of Karnataka's 224 seats in the state's legislative assembly. "You neither have a strong mayor, nor do you have a strong presence in the assembly, so the concerns of the politicians are not the city, but it's a good place to make money."

Karnataka's IT minister Priyank Kharge tells the FT the state's government is aware of the problems and is taking action. "We need to pull up our socks on a lot of issues plaguing the industry, but that's a problem with every growing city," he says. "We are also encouraging people to go beyond Bengaluru."

But it is an "uphill task" to convince many residents, Kharge says. "The problem is people love Bangalore. People love the weather, people love the social life that comes with it."

Other cities across India are capitalising on Bengaluru's mounting problems. N Chandrababu Naidu, chief minister of Andhra Pradesh, recently told the FT that he wants to create a fresh "Quantum Valley" in a new capital he is building in his southern state.

More established metro areas, including Pune, a few hours' drive out of India's crammed financial capital Mumbai, as well as Delhi's satellite cities of Noida and Gurgaon, are drawing in tech industry investment and multinational companies that are setting up GCCs.

Hyderabad's modern Hitec City district houses offices for the likes of Amgen, Google and Ikea © Samyukta Lakshmi/FT

But many regard Hyderabad, about 350 miles north from Bengaluru, to be the most serious contender to India's tech crown. The city is the capital of Telengana, a decade-old state whose successive governments have relentlessly wooed investment.

"Hyderabad has come up as a challenger city," says Anurag Mathur, the India chief executive of real estate consultancy Savills. Commercial rentals are around 10-15 per cent cheaper than Bengaluru and "if you are hiring people at 20 per cent lower wages . . . it's a strong, compelling case", he adds.

At Hyderabad's international airport, signs declare its pro-start-up credentials as the "#NextBigHub", part of a branding and policy push that has streamlined approvals and cut red tape.

Companies from Microsoft, Google and JPMorgan have set up large offices in the city, which now hosts around one-fifth of GCCs in the country.

"We have stolen a march over everyone else," says Jayesh Ranjan, a senior civil servant overseeing industry and investments from the office of Telangana's chief minister. "Every week some serious GCC activity or the other happens here, the pipeline is very, very rich."

Many companies "buy into the myth that Bangalore is the Silicon Valley . . . but at some point in time they get disillusioned", Ranjan adds. "Our staff costs are low, talent is equally good and they are more disciplined, attrition is low, the government is supportive, infra is far better, social infrastructure is much more accessible, much more affordable."

That push has seen Telangana's annual IT exports grow three-fold since 2014 to $13.6bn, just under a third of Karnataka's. Funding to start-ups in Hyderabad has also increased 160 per cent between 2022 to 2024 to $571mn, though that is dwarfed by the roughly $6bn amount Bengaluru raised last year, according to consultancy Startup Genome. So far only one unicorn has emerged from Hyderabad, compared with about 50 in Bengaluru.

In a bid to encourage fledgling companies, Telangana has set up non-profit incubation centres, such as T-Hub, a 570,000 sq ft spaceship-like building nestled in

Hyderabad's modern Hitec City district, which also houses offices for the likes of Amgen, Google and Ikea. Since 2015, T-Hub has provided support for more than 2,000 start-ups that have raised about $2bn in funding.

"There's a lot of ingredients and I think we are at an inflection point where we need to find the recipes from these ingredients to produce start-up heroes," says Kavikrut, chief executive of T-Hub, who goes by one name.

Some entrepreneurs are sold. Prabhdeep Singh, founder of ambulance service start-up RedHealth who hails from north India, was attracted to Hyderabad by the city's established health industry, a base for homegrown companies such as Aurobindo Pharma and Bharat Biotech, as well as global majors including Novartis.

"Ten years ago it was tough to convince people to move to Hyderabad," says Singh, who set up his business in 2016. Now thanks to new schools, growing nightlife and entertainment options, along with comparatively less traffic and cheaper housing, "that friction is going away".

Sanjay Nekkanti, chief executive at Dhruva Space, also moved to Hyderabad in 2015 after three years in Bengaluru, lured by lower costs and the city's growing state and private sector aerospace and space industry. "What you can get for 10 bucks in Hyderabad, people in Bangalore will sell you for 100 bucks," Nekkanti says.

Yet even as the city grows in popularity, some businesses still struggle to attract the best staff. "It becomes a little bit tricky at the senior most talent, then you have to search a little harder," says Vikram Vuppala, founder of Hyderabad-headquartered dialysis clinic chain NephroPlus.

Prasad Vanga, chief executive at Anthill Ventures, also adds that "the ecosystem is very small from a venture standpoint", with only about five operational funds in the city.

The Metal Shop at T-Works in Hyderabad, which is India's largest prototyping centre. Hyderabad plans to add 20 industrial parks over the next five years, raising questions of its own ability to sustain its development © Samyukta Lakshmi/FT

Entrepreneurs and executives gather at T-Hub, the spaceship-like building in Hyderabad (left to right, front row): Sanjay Nekkanti, chief executive at Dhruva Space; Vikram Vuppala, founder of NephroPlus and Rohit Chennamaneni, co-founder of Darwinbox. (Back row, left) Prasad Vanga, chief executive at Anthill Ventures, and Sateesh Andra, managing partner at Endiya Partners © Samyukta Lakshmi/FT

Hyderabad, with a smaller population than Bengaluru, is also not immune to India's urban build-up and suffers from brutally scorching summers. The city is often snarled in traffic, though jams are generally less severe than in Bengaluru.

"We understand that if everybody comes here it will not be feasible to have dignified living," says Sanjay Kumar, special chief secretary in Telangana's IT and industries departments.

The plan is that over the next five years, Hyderabad will add 20 new industrial parks, while extending its road and metro network, Kumar adds. "The purpose is to decongest the city and create new centres where investment can flow."

Earlier this month, Narendra Modi paid a high-profile visit to Bengaluru, his security convoy closing roads and shutting down areas of the city as he swept through and inaugurated a new metro line. The prime minister flagged $2.6bn worth of further public transport projects.

"Today, Bengaluru is emerging as a city that has become a symbol of New India's rise," Modi said in a speech. "In the 21st century, urban planning and urban infrastructure are critical needs for our cities."

The intent is there. Some basics can be done which will solve 40 per cent of the problems

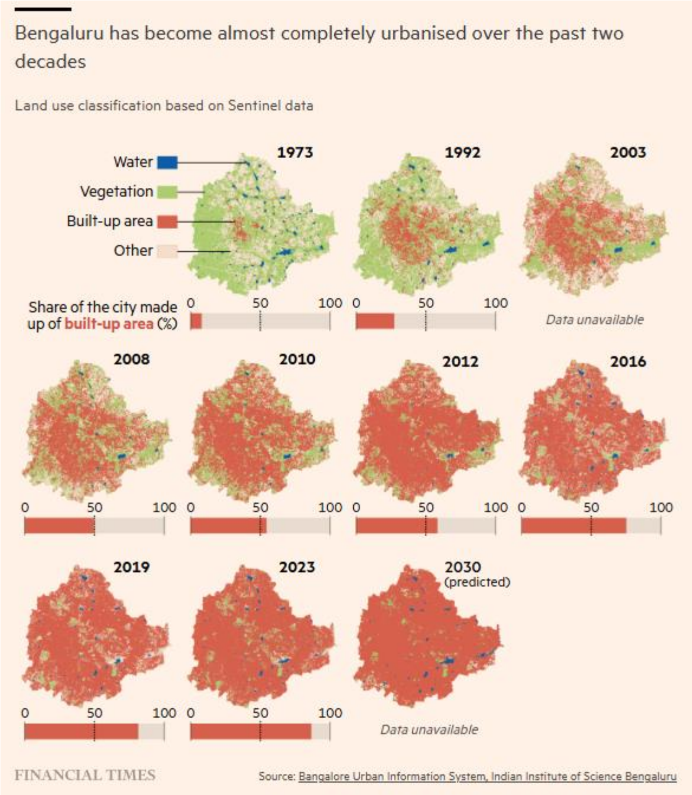
Many of Bengaluru's most prominent figures now hope the city is on the cusp of change thanks to plans to open a series of metro lines in the next two years. They also remain doubtful anywhere else will, for now, supplant its central role in India's tech industry.

"The fact is the talent here is so extraordinary and concentrated that people will come. What's the point of a ghost town with nice buildings?" says Nandan Nilekani, chair and co-founder of Infosys. "It's simply a more cosmopolitan city."

One start-up founder dismisses moans about strained infrastructure as whingeing from Bengaluru's legion of social media-savvy tech workers. He says many will overlook hours-long commutes due to the city's still glorious weather, multitude of pubs and availability of craft beer.

"Infrastructure is a challenge," says Saurabh Govil, a two-decade Bengaluru resident and chief human resource officer at Wipro. "The intent is there, in Bangalore some basics can be done which will solve 40 per cent of the problems."

Cartography by Aditi Bhandari



But some remain sceptical that the pace of growth can ever be matched by development of infrastructure.

"It will continue to outpace, there are no two ways about it unless we find someone who is as transformational as Lee Kuan Yew," says Das from the Outer Ring Road Companies Association, referring to modern Singapore's founding father. "In the near future this is not something which can be solved so easily."

11 - Sumant Sinha: Renewables can't keep up with India's surging power needs

ReNew Energy founder and co-chair of the Alliance of CEO climate leaders on the clean energy opportunity in India

The Financial Times, OCT 31 2025

After several years of working in companies including the Aditya Birla Group and Suzlon, Sumant Sinha started ReNew Energy in 2011. The company, which is looking to delist from Nasdaq, provides various decarbonisation solutions including power generation and distribution, storage solutions and solar manufacturing, among others. It now has a clean energy portfolio of more than 18GW. Sinha is also co-chair of the World Economic Forum's Alliance of CEO climate leaders, which is pushing for measures to counter the slowing in transition to clean energy at the COP30, which starts on November 10 in Brazil. For this month's edition of the India Business Briefing Q&A, I sat down with him to understand the scale and scope of the renewables sector in India.

Note: This interview has been edited for length and clarity

Let's start by laying out the scene. What is the size of the market for renewables in India, and what are the growth areas?

There's massive organic growth in our core business, which is the independent power producing (IPP) business. The numbers are compelling. India wants to get to 500GW by 2030, and has 225GW of non-fossil fuel capacity installed so far. Therefore, we need 275GW in the next five years; almost 50GW a year. Last year, as an industry, we only did 30. This year, that 30 might go up to 40. Which means as we approach 2030, we will have to add 60W of capacity a year at the very least.

The western world is beginning to realise that India is not pushing coal, but using it only to meet the demand that renewables are currently unable to

Secondly, we have also recently got into solar manufacturing. We have set up our full module capacity of 6.5GW. We are at 2.5GW on cells right now, which we are going to ramp up to 6GW before the end of next year. And then there are newer areas that are developing — green hydrogen, for example, which we started a couple of years ago, but it is taking off more slowly than we expected.

How does India's power sector stack up globally?

The sector is growing at about 6-7 per cent a year. We are already the third largest electricity market in the world, after China and the US. And we are the fastest growing by far. This means that we are adding more demand every year to the electricity sector in India, while the US has been flat for many years. Now the incremental demand coming from data centres is driving 1-2 per cent growth, and that is leading to so much excitement there. To India's 7 per cent growth, if you also add data centre demand and higher electrification of the economy, it is only going to go at a faster clip. In fact, Goldman Sachs has come out with a report saying that India is about to cross an inflection point and that our electricity demand growth will be 7.2 per cent after this.

Yes, but not all of that is coming to renewables . . .

It is not, but that is step one. Now the question is that within the electricity system, there is a fundamental shift happening towards renewables because it is cheaper and cleaner. So the Indian government has taken a strategic view that it wants to have as much renewable energy as possible.

But the Indian government has also increased the production of coal.

Both industry and the government are pressing the accelerator on new renewable capacity addition as much as possible. But there are constraints on building out the grid, land acquisition, distribution companies' ability to absorb all the power we want to generate, etc. So although renewables are at a significant growth mode, we are not going to be able to meet the demand growth. We are adding coal only to bridge that gap.

Renewables is also the only sector in India where you have the large conglomerates — Reliance, Adani, Tata, Aditya Birla, ArcelorMittal, Vedanta etc — investing now. And all these people are now putting their shoulders to the wheel. Therefore you'll see capacity addition in renewables ramping up. But even with this, we will not grow fast enough to meet demand growth. And no government is going to allow economic growth to be impacted because of a lack of power. That is why we require more coal. This is something the western world is now beginning to realise. That we are not pushing coal, but using it only to meet the demand that renewables are currently unable to.

You mentioned the entry of big Indian conglomerates. What does this mean for the competitive landscape for your business?

So the great thing is that because the sector requires so much investment, even the big boys cannot meet that. Also, bear in mind that for them renewables is just one of many businesses. For us it's our only business. So when I look at the renewable-to-renewable size, we are not disadvantaged in any way.

But they do have deeper pockets . . .

They do, but they also have many other businesses to invest that capital. You can't look at the entire Reliance balance sheet and say "you know what, I'm competing against that". Because they also have to invest in petrochemical, telecom, retail, media and whatever else they decide to get into. So we are only competing with a small part of their investible corpus.

As one of the early entrants in the renewables space in India, what do you see as your challenges?

One is that the power sector touches a lot of different stakeholders — union and state governments, regulators, consumers etc. And all of us have to work seamlessly, and in alignment, for us to be able to achieve our targets. We often do not. Often we don't get enough support at the local level to acquire land. Sometimes the judiciary acts in opposition to what needs to be done. Sometimes the systems don't tend to move in alignment. That is the biggest challenge. Everything else is easier.

A few months ago, the blackout in Spain and Portugal was attributed to renewables. Is convincing people that renewable energy is reliable getting more difficult?

It's a relevant question and it's very important to be cognisant of the things that can go wrong. In India, the ministry of power manages the grid, they are aware of these issues and their primary deliverable is to not have those kinds of things happen. Therefore, they have been increasing the technical requirements for us to be allowed to connect to the grid. These specifications are, in fact, quite onerous now, but I can understand why they are doing it. We have to go through extensive trials, which can take a couple of months. The data from the trials go back to the grid operators, they study it, make sure there is nothing untoward, and only then do they allow us to

My biggest mistake

I started this company 15 years ago. I wish I had started earlier. I would have had a longer runway to build it and I would have been able to capitalise on the opportunities in the sector for longer. I should have taken the plunge earlier.

connect. We have also had to improve our forecasting mechanisms and they impose significant penalties if we get it wrong.

How relevant is India in the global scheme of things?
There is an understanding now that the decisions India makes over the next several years are going to be fundamental to the climate change battle, and that's why we get a lot of importance in such discussions.
But climate change discussions themselves are losing relevance . . .
Sadly, yes. But primarily that is only happening in the US. The rest of the world is still looking at it as an issue. Some countries are hemming and hawing but they were doing that anyway. Consider that India accounts for about 8 per cent of global carbon emissions. And everyone knows that India's entire development paradigm is in front of us. So there is a real concern that if India grows in the same way that every other country has grown so far, that is, in a carbon intensive fashion, then it will be the end of climate change conversations. Which is why India is central to this, and therefore the energy choices that India makes are very important aspects of global discussions.
Is the global perception about India's climate commitments and growth prospects accurate, in your view?
The world is still struggling to understand how proactive India has been on climate change and energy transition. But people are beginning to realise that 500GW is a serious target and we are getting close to achieving it.
They also haven't got their arms around how big the Indian market is going to be, especially in investments for renewables. For example, in the US there's so much excitement around nuclear power because they consume 4tn kilowatt hours of power right now. Their forecast for the next seven years is to grow to 5tn. In India, today we have about 1.8tn units, so we are about 45 per cent their size. But we are going to grow much faster. They will go by 1tn, we will grow by 1.5tn. So we are going to require much more generation.

See also

● **The long read *The Guardian***, Thu 30 Oct 2025
'Scamming became the new farming': inside India's cybercrime villages
How did an obscure district in a neglected state become India's byword for digital deceit?
By Snigdha Poonam
On the surface, the town of Jamtara appeared no different from neighbouring districts. But, if you knew where to look, there were startling differences. In the middle of spartan villages were houses of imposing size and unusual opulence. Millions of Indians knew why this was. They knew, to their cost, where Jamtara was. To them, it was no longer a place; it was a verb. You lived in fear of being "Jamtara-ed".
https://www.theguardian.com/technology/2025/oct/30/scamming-became-the-new-farming-inside-india-cybercrime-villages?CMP=Share_AndroidApp_Other

THE TEXTILE INDUSTRY (Bangladesh)

See at the end of the file for more about Bangladesh

12 - Fast fashion drove Bangladesh - now its troubled economy needs more

BBC News, 6 September 2024 - Nikhil InamdarBusiness correspondent in Dhaka

Many garment manufacturing jobs remain well below the minimum wage

Bangladesh is the beating heart of the global fast fashion business.

The clothes its factories export stock the shelves at H&M, Gap and Zara. Over three decades, this has transformed the country from one of the world's poorest to a lower-middle income nation.

But its garment industry, worth $55bn (£42bn) a year, is now facing an unsettled future after weeks of protests toppled the government of Sheikh Hasina in August. Hundreds of people were killed in the unrest.

At least four factories were set alight, while manufacturers struggled to operate under a nationwide internet blackout. Already, some big brands have looked elsewhere for next season's clothes, three firms that help supply to companies such as Disney, US supermarket chain Walmart and other global apparel companies told the BBC.

The disruption is continuing. From Thursday, some 60 factories outside Dhaka are expected to be closed because of worker unrest. Staff have been protesting with various demands, including for better wages.

Mass protests gripped the country for weeks before the government fell

Recent events “will impact the confidence level of brands”, says Mohiuddin Rubel, a director at the country’s garments manufacturers and exporters association.

“And probably they might think - should we put all our eggs in one basket?” he says, noting rival garment-producing countries like Vietnam.

Indeed, Kyaw Sein Thai, who has sourcing offices in both Bangladesh and the US, suggests the recent political unrest could result in a "10-20% drop in exports this year”. That’s no small amount when fast fashion exports account for 80% of Bangladesh’s export earnings.

Even before the events of the past few months, Bangladesh’s garment industry – and its economy – were not in good health. Child labour scandals, deadly accidents and the Covid-19 shutdown had all taken their toll.

Soaring prices had made manufacturing more expensive - but slowing demand meant you couldn’t sell for as much. This was especially bad for Bangladesh, which relies heavily on exports. As profits from exports shrank, so did foreign currency reserves.

There were other problems too: excessive spending on showpiece infrastructure projects had drained the government’s coffers. And rampant cronyism weakened its banks, as powerful businessmen with links to former Prime Minister Sheikh Hasina’s Awami League party failed to repay loans.

“It wasn’t benign neglect but a designed robbery of the financial system,” the country’s new central bank governor, Dr Ahsan Mansur, told the BBC in a recent exclusive interview.

Fixing this, Dr Mansur said, was his top priority, but he warned it would take years and the country would need more financial support, including another IMF bailout.

“We are in a difficult spot and we want to remain fully compliant in terms of servicing our foreign obligations, every penny of it. But we need some additional cushion for now,” said Dr Mansur.

Mahaburbur Rahman, whose family founded clothing manufacturing firm Sonia Group two decades ago, points out that the country’s falling reserves of foreign currencies alone are enough to dent confidence.

“They are concerned about how we will pay for imports of yarn from India and China if we don’t have enough dollars. Many of them are not even able to come to Bangladesh anymore to place new orders because they aren’t getting travel insurance,” Mr Rahman says.

But Bangladesh has a bigger problem at hand – the protests that ousted Ms Hasina were driven by students who were frustrated over the lack of well-paying jobs and opportunities.

While the clothing factories may have created millions of jobs, they don’t pay well. Some factory workers who spoke to the BBC said they struggled to survive on pay that was barely half the national minimum wage, which meant they were forced to take out loans to feed their children. Many of them joined the student-led protests in recent months to demand better pay and conditions.

“We will settle for nothing less than a doubling,” union leader Maria said. “Wages have to reflect the increase in cost of living.”

The student protesters, though, are calling for a more radical shake-up of the jobs market.

Abu Tahir, Mohammad Zaman, Mohammad Zaidul and Sardar Armaan were all part of the demonstrations.

All unemployed for between two and five years, they tell the BBC that they are keen to work for the private sector but don’t feel as if they are qualified for the jobs that are available.

“[My parents] hardly understand how competitive the job market is. To be unemployed is a major source of pressure in my family. I feel belittled,” Mr Zaman says.

“We just get a degree, we are not getting the right skills,” says Mr Zaidul.

“The new adviser is an entrepreneur himself though, so we all feel more hopeful he’ll do something about this,” he adds, referring to the country’s interim leader, Muhammad Yunus. Mr Yunus won a Nobel Peace Prize for his pioneering work in micro loans.

The clothing industry has helped lift millions of people out of poverty

Dr Fahmida Khatun of the Centre for Policy Dialogue think tank points out that diversifying the economy will be critical to meet the aspirations of educated youth - arguing that that would be no bad thing for the economy.

“No country can survive for a long time based on only one sector,” she says. “It will take you so far, but no further. There have been [diversification] attempts, but so far it’s only been in the books.”

A disused technology park outside the capital Dhaka offers evidence of this. Inaugurated in 2015, it was meant to be part of a nationwide initiative to create higher paid jobs and cut Bangladesh’s reliance on garment production. It now sits abandoned – a reminder of the previous administration’s economic failures.

“This is the perfect example of the gap between what industry needs and what the government has provided,” says Russel T Ahmed, a software entrepreneur.

“Nobody asked us if we needed these parks. Bangladesh has been investing in physical infrastructure, but how much have we invested in human infrastructure? That is the raw material this industry needs.”

What the new government needs to do, says Dr Khatun, is remove bottlenecks like corruption and red tape to encourage foreign and private investment.

Mr Yunus has vowed to bring comprehensive reforms to the country’s economy and fix institutions that have, as Dr

Khatun says, been "systematically destroyed" over the past few years.

He has a formidable task ahead – steadying the economy, delivering free and fair elections, and preventing government policymaking from being controlled by vested interests.

All of this has to be done as the country faces a raft of other problems: slowing global demand for the goods it makes, deteriorating relations with its giant neighbour and trading partner India, which is harbouring Ms Hasina, and climate change causing more intense cyclones in the flood-prone nation.

These challenges are as vast as the hopes many people have heaped on Mr Yunus' shoulders.

13 - Bangladesh pledges US cotton purchases to save garment sector

Trump's tariff plans threaten clothing industry vital to South Asian nation's economy

John Reed in New Delhi, ***The Financial Times***, APR 9 2025

Bangladesh is hoping a pledge to buy more US cotton will help persuade President Donald Trump not to maintain a 37 per cent tariff on its exports that threatens its vital garment sector.

"Bangladesh will take all necessary actions to fully support your trade agenda," interim leader Muhammad Yunus promised Trump in a letter published this week that also vowed Bangladeshi tariff cuts on US products such as gas turbines, semiconductors and medical equipment.

The 84-year-old Nobel Peace Prize laureate's offer comes amid concern in Dhaka that Trump's tariffs could unravel an industry that subsists on low margins but generates four-fifths of Bangladesh's export earnings.

Economists have also praised the industry's role in lifting millions of women out of poverty. But they have long warned of the country's over-reliance on a single-industry "monoculture".

The tariff threat to the garment industry adds to the worries of Yunus's interim administration as it tries to revive Bangladesh's economy, reform state institutions and mend ties with India, which supported former authoritarian leader Sheikh Hasina, who was overthrown last year.

In his letter to Trump, Yunus asked for a three-month grace period on the tariffs to allow his government to "substantially increase US exports to Bangladesh".

Alongside an offer to "significantly increase" imports of wheat, corn and soyabeans, he said Bangladesh would streamline customs procedures and build dedicated duty-free bonded warehouses for cotton "to improve speed to market".

The White House did not immediately reply to a request for comment.

According to the US Department of Agriculture, Bangladesh was the world's second-largest cotton importer in the year 2023-24, trailing China, and is projected to be the largest in 2024-25 with imports of 8mn bales. West Africa was Bangladesh's largest source of cotton, making up 35 per cent of its imports in 2023-24, followed by India and Brazil. The US accounted for 11 per cent of its imports.

Bangladesh garment sector officials said imported US cotton was priced competitively relative to that of other suppliers — including product brought by road from India. However, they said setting up warehouses where cotton could be stocked and delivered on a shorter lead time would allow Bangladesh to buy more, easing the pressure from Washington over the US trade deficit.

Clothing manufacturers in Bangladesh that supply US companies warn that if the tariffs are maintained, they will lose business to rival countries that were promised lower tariff rates on what Trump dubbed "liberation day".

"Jordan, Egypt and Kenya will be the biggest winners," said Miran Ali, a member of the support committee of the Bangladesh Garment Manufacturers and Exporters Association. "These are the only countries with any garment sectors worth speaking of which are not subject to massively increased tariffs, and which will now benefit."

Egypt and Jordan were subjected to relatively low 10 per cent and 20 per cent tariffs respectively, in last week's announcement by the US administration. Kenya — with a 10 per cent tariff — is among the countries that benefit from the African Growth and Opportunity Act, a long-standing US trade scheme that gave eligible countries duty-free market access.

The terms of trade had "now changed dramatically", Ali said.

"Brands are going to want to share the costs with us," said Mahir Ahmed, director of Apex Holdings, a clothing producer whose buyers include Target, Walmart and Gap. "For a country investing in sustainability, this development feels like a curveball that could affect everything from cost structures to international competitiveness."

A second industry executive, who asked not to be named because of the sensitivity of the matter, said: "We have been hearing of order placements being deferred, and we anticipate big challenges with pricing structures due to the tariffs."

The bulk of Bangladesh's clothing exports goes to US "big box" mass market retailers such as JCPenney, Target and

Walmart, and manufacturers said they expected that business to be harder hit than orders from premium brands such as Ralph Lauren or Tommy Hilfiger.

"The impact will be on the US customer," said Vidiya Amrit Khan, deputy managing director of Desh Garments, which lists US retailers Macy's and Target among its customers. "Will they be willing to pay more?"

The US tariff threat is the latest setback for the industry after the Covid-19 pandemic and the political and labour unrest that accompanied the overthrow of Hasina, which caused some foreign buyers to divert business.

Manufacturers had also been preparing for Bangladesh's expected "graduation" from UN Least Developed Country status next year, which will mean the loss of trade preferences it enjoys from some European and other nations.

The country's producers have spent heavily on improving their safety, environmental and other credentials since a 2012 fire at a garment factory near Dhaka that killed at least 112 people and put a spotlight on sustainability.

"We invested in these initiatives to make Bangladesh a sustainable destination for US brands in particular," said Apex Holdings' Ahmed. "But the tariffs are undermining all these investments."

About the harsh working conditions and health hazards in the textile industry see also

● https://www.theguardian.com/global-development/2022/may/22/murder-rape-and-abuse-in-asia-factories-the-true-price-of-uk-fast-fashion-jeyasre-kathiravel

● **Fast-fashion recycling: how 'the castoff capital of the world' is making Indian factory workers sick**

Reports of lung disease, skin conditions and even cancer are rising in Panipat, which recycles 1 million tonnes of textile waste a year

The Guardian, Tue 7 Oct 2025

https://www.theguardian.com/global-development/2025/oct/07/indian-factory-workers-fast-fashion-recycling-panipat-discarded-clothing

FARMING

14 - Indian farm exports outperform – despite Trump tariffs

Lifting of restrictions, monsoon-aided production rebound and diversification of markets beyond the US have helped agriculture exports to post impressive growth this fiscal.

Written by **Harish Damodaran** , ***The India Express***, November 17

India's agricultural exports are growing at a faster pace than overall merchandise exports.

Government data shows the value of farm produce exports in April-September 2025, at $25.9 billion, to have registered an 8.8% jump over the $23.8 billion for the corresponding six months of 2024.

That's more than the 2.9% growth of the country's total goods exports, from $213.7 billion in April-September 2024 to $219.9 billion in April-September 2025.

During the 2024-25 financial year (April-March), too, India's farm exports grew by 6.4% (from $48.8 billion to $52 billion), as against the measly 0.1% rise for all merchandise exports (from $437.1 billion to $437.7 billion).

Export growth drivers

Table 1 shows India's leading agricultural export items, whose value of shipments exceeded $1 billion in 2024-25.

The export growth this fiscal has been powered by non-basmati rice, buffalo meat, marine products, coffee, and fruits & vegetables.

In non-basmati rice, the buoyancy has been largely thanks to the lifting of restrictions on shipments, imposed between September 2022 and August 2023 to rein in domestic food inflation pressures. That included an outright ban on exports of broken and white non-basmati rice, and a 20% duty on parboiled shipments.

With those curbs gradually eased, on the back of consecutive good monsoons from 2024 and overflowing stocks in government godowns, non-basmati exports are on track to overtake the $6.5-billion record achieved during the last fiscal.

Buffalo meat exports are also set to surpass the previous high of $4.8 billion in 2014-15, if the present growth rate is sustained for the rest of this fiscal. Equally significant is marine products, the exports of which have gone up by 17.4% in the first half of this fiscal and could end up bettering the $8.1 billion all-time-high of 2022-23.

Table 1
India's top Agricultural Export items (in million dollars)

	2024-25	Apr-Sep 2024	Apr-Sep 2025	% Growth
Marine Products	7405.00	3385.82	3974.94	17.40
Non-Basmati Rice	6527.98	2251.30	2871.05	27.53
Basmati Rice	5944.49	2869.88	2763.46	-3.71
Spices	4451.97	2091.02	2146.89	2.67
Buffalo Meat	4060.54	1806.15	2187.08	21.09
Coffee	1805.57	932.47	1048.75	12.47
Fruits & Vegetables	2068.93	848.80	948.90	11.79
Tobacco	1979.01	986.12	993.96	0.80
Processed F&V	1805.83	852.82	918.40	7.69
Oilmeals	1346.80	698.66	585.39	-16.21
Oilseeds	1343.98	628.00	632.20	0.67
Castor Oil	1152.37	622.09	612.29	-1.58
TOTAL	**51951.15**	**23768.61**	**25867.48**	**8.83**

The US accounted for $2.7 billion or 36.2% of India's marine products exports of $7.4 billion in 2024-25. Given that, one would have expected the over-58% effective tariff levied by the US President Donald Trump's administration to have hugely impacted Indian seafood exports.

However, the data for April-September 2025 over April-September 2024 points to an increase in exports (from $3.4 billion to $4 billion), despite a 0.4% dip to the US (to $1.3 billion). Indian seafood exporters have seemingly absorbed the Trump tariff shock by ramping up shipments to markets such as China, Vietnam, Japan, Thailand, European Union and Canada.

Coffee exports from India have more than doubled from $738.9 million in 2019-20 to $1.8 billion in 2024-25. The current fiscal is likely to see it top $2 billion. The surge has been less due to the quantity of exports (up from 5.2 million to 6.2 million 60-kg bags between 2019-20 and 2024-25) and more courtesy of skyrocketing prices from global ending stocks for 2024-25 depleting to a 25-year-low.

Exports of fruits & vegetables have been registering steady growth, both in fresh (from $1.4 billion in 2019-20 to $2.1 billion in 2024-25) and processed (from $958.5 million to $1.8 billion) forms. That trend has been maintained in the current fiscal as well.

Table 2
India's top Agricultural Import items (in million dollars)

	2024-25	Apr-Sep 2024	Apr-Sep 2025	% Growth
Vegetable Oils	17366.26	8806.46	9991.77	13.46
Pulses	5477.28	2187.21	1031.87	-52.82
Fresh Fruits	3043.70	1299.58	1549.15	19.20
Cashew	1669.43	937.13	1590.50	69.72
Spices	1625.42	761.24	725.59	-4.68
Raw cotton	1219.32	477.38	676.71	41.75
Alcoholic Beverages	1115.36	511.42	563.52	10.19
Natural Rubber	1069.05	592.71	542.09	-8.54
TOTAL	**38542.23**	**18444.42**	**19528.88**	**5.88**

Source: Department of Commerce.

A rollercoaster ride

Indian farm exports have exhibited considerable volatility in the last decade, collapsing from $43.3 billion in 2013-14 to $32.8 billion in 2015-16, before recovering to $41.9 in 2020-21, $50.2 billion in 2021-22 and the peak of $53.2 billion scaled in 2022-23.

The above trend has broadly mirrored movements in international agri-commodity prices.

The Food and Agriculture Organization's (FAO) food price index plunged from an average of 119.1 points in 2013-14 to 90 points in 2015-16. The index – a weighted average of world prices of a basket of food commodities over a base period value (in this case, taken at 100 for 2014-16) – stayed at below 100 points till 2019-20, and then soared to 102.4, 133.1 and 140.6 points in the following three fiscals.

As the FAO index has come down from those highs, it has been reflected in India's agriculture exports falling to $48.8 billion in 2023-24 and $52 billion in 2024-25. Some of that has also been a result of export clampdowns – on a host of produce, from wheat, rice and sugar to onions and de-oiled rice bran – by the Narendra Modi government as part of its inflation-containment policy measures.

The export performance in the second half of 2025-26 will be influenced both by global prices and the Trump tariffs. The FAO index averaged 126.4 points in October 2025, well below the record March 2022 level of 160.2 points immediately after Russia's invasion of Ukraine. But it isn't just the general index. The 'cereals' subindex, at 103.6 points in October 2025, was the lowest since August 2020. That for 'sugar', at 94.1 points, was also the lowest after December 2020. Going by past trends, bearish global commodity prices adversely affect exports from India.

As for the Trump tariffs, the 26.9%, 45.1% and 17.8% drop in exports of marine products, spices and basmati rice respectively to the US in September is proof of their starting to bite. On the positive side, there are indications of a trade deal between India and the US materialising before the year end, even as Washington has apparently softened its earlier confrontational stance.

Moreover, the US President, on Friday, rolled back his sweeping tariffs on several food products – including items like spices, coffee, tea and fresh fruits, in which India has export interests.

Import trends

Like with exports, India's farm produce imports have posted higher year-on-year growth during April-September 2025 (5.9%, from $18.4 billion to $19.5 billion), compared to overall imports (4.5%, from $358.9 billion to $375 billion).

But unlike exports, which are well diversified, India's import basket is quite narrow and limited to a few commodities (table 2). At No. 1 position is vegetable oils, the imports of which have risen by 13.5% in April-September this fiscal and are poised to close in on the $20.8 billion high of 2022-23.

At second spot is pulses, where imports touched an unprecedented $5.5 billion in 2024-25. The current fiscal has seen a sharp decline, because of a bumper domestic crop and the Modi government reimposing import duties that were withdrawn during the high-inflation period from mid-2023 through much of 2024.

The imports that have shown major expansion in recent times are of fresh fruits and raw cotton.

In 2024-25, India imported fresh fruits worth over $3 billion, out of which $1.1 billion was from the US. In April-September this year, imports were at $1.5 billion, with the US' share at $780.6 million or 50.4%. India has, thus, become a key market of the US, especially for almonds, pistachios, walnuts and other dry fruits.

In raw cotton, India has turned from a net exporter to an importer. Imports are on course to cross $1.5 billion this fiscal, which is an outcome of domestic production shortfalls from no new yield-enhancing technologies after Bt cotton.

15 - Why India farmers are protesting again

BBC News, 13 February 2024

Farmers are demanding that their produce be procured at a reasonable minimum price

Two years after Indian farmers ended their massive protest, they are back on the streets demanding guaranteed prices for their crops.

Thousands of farmers are marching towards Delhi while authorities have turned India's capital into a fortress, barricading it with razor wire and concrete blocks to try to keep demonstrators at bay.

Farmers began a year-long protest in 2020 against the government's move to introduce controversial agricultural reforms.

Thousands camped at the borders of the capital with dozens dying from heat, cold and Covid.

The movement became one of the biggest challenges for Prime Minister Narendra Modi's government.

Farmer groups called off their strike after the government scrapped the proposed farm laws in 2021 and agreed to discuss their other demands, including guaranteed prices for produce and a withdrawal of criminal cases against the protesters.

The farmers are now back, saying they want to remind the government of the promises made back then.


Getty Images

Farmers say they will go back home after more than a year of protests

What was the 2020 protest about?

It was against three proposed laws that loosened rules around sale, pricing and storage of farm produce - rules which have protected farmers from the free market for decades.

Farm unions said these laws would leave farmers vulnerable to big companies and destroy their livelihoods.

After months of insisting that the reforms would benefit farmers, Mr Modi announced that his government would repeal the laws on 19 November 2021. A few days later, the parliament passed the bill to cancel the reforms.

The move was hailed as a victory for farmers and also as a powerful example of how mass protests could still successfully challenge the government.

But farmers did not leave the protest sites immediately and continued to protest until the government gave them a formal letter, accepting many of their other demands.

The government also agreed to provide compensation to the families of the farmers who died during the protest.

On the demand for a minimum support price, the government promised to form a committee which would include representatives from the federal and state governments, agriculture scientists and farmer groups.


Getty Images

Security personnel barricade the Delhi borders ahead of farmers' protest

What are the farmers demanding now?

The farmers say that the government has not kept the promises made during the 2020-21 protest. They are also demanding pensions and have asked the government to waive their debts.

Farmers have said that those who sell fake seeds, pesticides and fertilisers should be penalised. They want the government to double the number of work days under rural employment guarantee scheme to 200.

The protesters also want India to withdraw from the World Trade Organisation (WTO) and scrap all free trade agreements.

Getty Images

The 2020 protests posed one of the biggest challenges to Narendra Modi's government

Why are the protests important?

Farmers form the most influential voting bloc in India and analysts say the government would not want to rub them the wrong way just weeks before India holds general elections.

The farmers' march has brought back memories of the chaos which prevailed in India's capital during their first protest - bringing life around Delhi's borders to a standstill for months on end.

Mr Modi's government has so far held two new rounds of talks with the farm leaders. However, the farmers called the talks "delaying tactics" and refused to call off their protest.

16 - Narendra Modi risks wrath of India’s farmers in trade talks with Donald Trump

Activists warn of protests if New Delhi makes concessions on US agricultural imports

Andres Schipani and Jyotsna Singh in Patiala and Krishn Kaushik in New Delhi

The Financial Times, OCT 21 2025

The last time Indian farmers descended on New Delhi, they dealt Prime Minister Narendra Modi a rare political blow, forcing him to backtrack on agricultural reforms.

Now, Daljinder Singh Haryaoo, who five years ago drove south to the capital from India’s northern Punjab state, has said he will climb back on his tractor if New Delhi makes too many concessions on agriculture in trade talks with US President Donald Trump.

“Allowing crops and food products through a trade agreement will finish us,” said Singh Haryaoo, one of 30,000 members of a powerful farming union in Punjab’s agricultural heartlands. He grows maize and rice, and keeps dairy cows.

Difficult trade negotiations with the US have thrust farmers’ complaints to the centre of national debate, with the possibility of a flood of cheap American agricultural imports handing the opposition fresh ammunition to attack Modi.

New Delhi has historically excluded agriculture from trade pacts, arguing such moves would hurt millions of poor farmers, a powerful voting bloc. The prime minister is facing four regional elections within the next seven months and has said he would stand “like a wall” against any policy that threatens farmers’ interests.

India has one of the world’s biggest agricultural sectors in terms of workforce and output, notably of rice and milk. Successive leaders have been loath to reform the sector.

Agriculture minister Shivraj Singh Chouhan this month hailed agriculture as “the backbone of India’s economy, and farmers are its soul; serving farmers is akin to worshipping God”.

Nearly half of the workforce in the world’s most populous country are employed in agriculture, which accounts for almost one-fifth of Indian GDP.

So great was the anger at Modi’s proposed reforms in 2020 that thousands of farmers, including Singh Haryaoo, camped out in New Delhi for nearly a year. The prime minister eventually reversed course on plans to deregulate the trade in agricultural commodities allowing private players to set prices — a rare policy retreat.

This time round, Modi is facing increasing pressure from the Trump administration. US commerce secretary Howard Lutnick recently criticised India for not importing “a single bushel” of US maize.

India currently imposes tariffs of 70-80 per cent on US rice, 15-50 per cent for maize and 30-60 per cent on dairy products from the country.

It is also one of the countries hardest hit by Trump’s trade war, facing 50 per cent tariffs. Trump, who said the higher levies were in response to India’s trade in Russian oil, has indicated that Modi would reduce these purchases. If not, he vowed to keep the “massive tariffs” in place. Both leaders are expected in Malaysia for a summit of Asian leaders, which starts on Sunday.

People briefed on the negotiations in New Delhi acknowledge that disagreements over US agriculture are a major “sticking point”.

Farming may have been a “red line” for India in other negotiations — including Australia in 2022, the UK this year and also the EU — but the US agricultural lobby is pushing particularly hard, said an Indian official familiar with the negotiations.

India might end up having to make some concessions on agriculture to the US, a person familiar with the discussions in New Delhi said after commerce minister Piyush Goyal’s visit to Washington late last month. Goyal’s team travelled last week to the US to fast-track talks with hopes of closing on a deal this year.

While India is unlikely to open up the farming sector entirely, it could allow imports of some maize for ethanol production and set quotas for other products.

The talks are complicated by the fact that most US maize and soyabean production is genetically modified and India has strict rules on GM output.

Agronomists in the 1960s and 1970s made Punjab a testing ground of improved seeds and better farming, transforming India into one of the world's largest food producers.

But agriculture in India remains largely artisanal with farmers having small, fragmented land holdings — the average Indian farm comprises just a little over one hectare, compared with more than 180 hectares in the US. In dairy, the average herd size in India is two to three animals per farmer, compared with 380 in the US.

With Indian farming often unprofitable for the hundreds of millions depending on it, Avik Saha, one of the co-ordinators of Samyukt Kisan Morcha, a coalition of dozens of Indian farmers' unions, said: "The farmer is extremely concerned about any import that further pushes the price down. These are all clear, large bold writings on the wall: for the farming sector, a free trade agreement is unimaginable."

If the government makes compromises against farmers' interests, then voters will "drag it down", said Mohini Mohan Mishra, the general secretary of the Bharatiya Kisan Sangh, the farmers union linked to the Rashtriya Swayamsevak Sangh, the Hindu nationalist group and ideological parent of Modi's Bharatiya Janata party.

Some of India's largest farming lobbies have also weighed in.

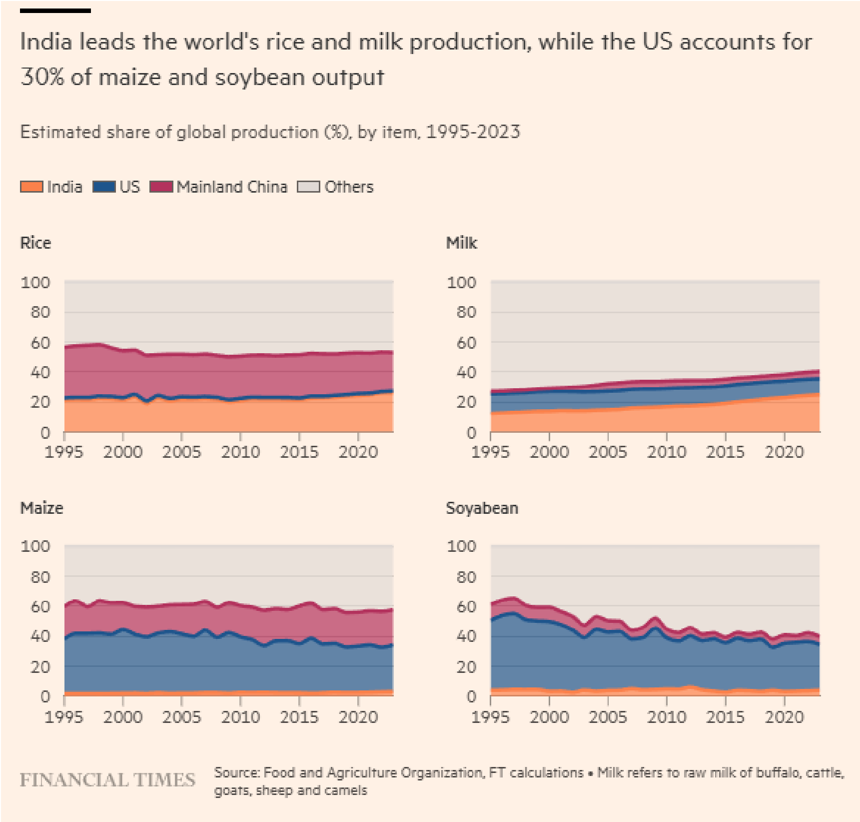
With almost 200,000 co-operative societies and employing some 80mn people, dairy is not only an important constituency. It is also sensitive because of concerns US cattle are fed with animal byproducts, contrary to Indian dietary and religious habits.

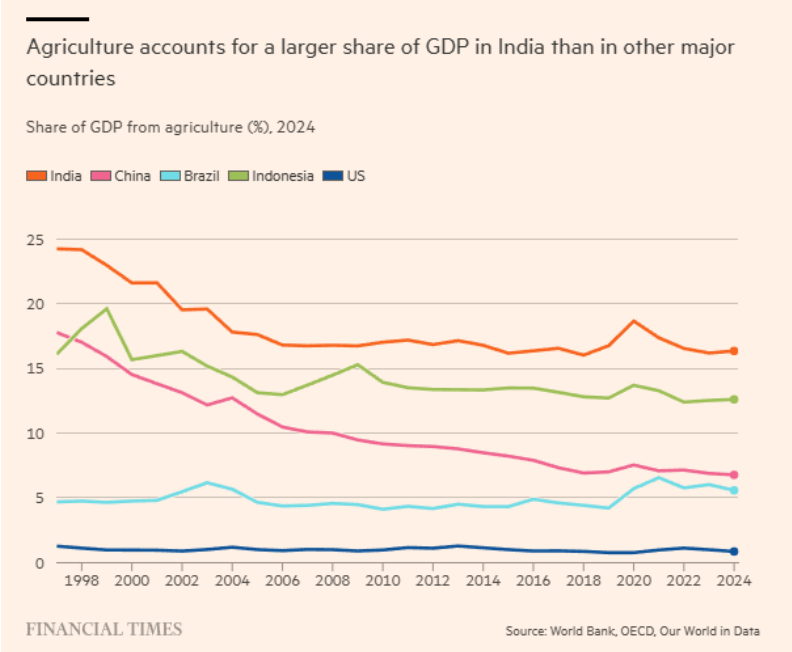
Rupinder Singh Sodhi, president of the Indian Dairy Association, said: "India does not need dairy from outside. We are the world's largest milk producer."

Ajay Bhalothia, general secretary of the All India Rice Exporters' Association, has asked Indian trade negotiators to "put pressure on the US to remove tariffs on Indian rice, but they told us that America wants their rice to be made duty free in India — that is not viable for India".

For the chair of the Farmers' Forum India, Ajay Vir Jakhar, "India will never be able to compete with subsidised US" farming products, such as maize and milk, which would "destroy the livelihood of millions of small" Indian farmers.

Back in Punjab, the strength of feeling is apparent in the "no farmer, no food" slogan emblazoned on many trucks. Singh Haryaoo argues that "our entire farming and livelihood are at stake". If Modi opens India's market to subsidised US products such as rice, maize and dairy "we would hold a much bigger protest", said Singh Haryaoo.





Dans certains cas, des initiatives communautaires ou étatiques ont permis une amélioration des revenus, une gestion plus durable des ressources ou une meilleure organisation des producteurs

17 -VIDEO - **Artificial intelligence comes to farming in India | BBC News**

11 January 2024 – See Cahier de Prépa

18 How an Indian farmers' dairy co-op outpaced global giants

Amul's business model involves more than 18,000 village co-operative societies and over 3.6mn farmers

The Financial Times, AUG 30 2025

Father of the nation Mahatma Gandhi called the cow India's "giver of plenty". For nearly 80 years Amul, the country's biggest dairy farm collective, has linked Hindu beliefs that cows are sacred with Gandhian ideals of social and economic co-operation.

The co-operative model has propelled it to a 75 per cent market share of the country's milk market and helped India become the world's largest milk producer — contributing 25 per cent of global production. The industry also benefits from unusually high levels of protection from external competition, a factor that has contributed to stalling a trade deal with the US.

"India is a country with a population of approximately 1.5bn and hence, has an insatiable demand for milk and milk products," said Vipulbhai Patel, Amul's chair. In the 2023-24 financial year, Amul's turnover topped $7.3bn, an 8 per cent increase on the previous year.

Amit Vyas, Amul's managing director, said the business model, which involves more than 18,000 village co-operative societies, over 3.6mn farmers and a network of more than 1mn retailers, works because "the production, processing and marketing is all owned by the farmers".

Another factor in Amul's success, according to Vyas, is its procurement system, which secures 35mn litres of milk a day from cows, buffaloes and even camels. Since it was set up in 1946, Amul has bought everything each of its members produces "every day of the year, rain or shine", he said.

"Be it one litre or 500, we'll buy it and pay it on the day," he explained, adding that privately owned competitors may pay a bit more than the average of Rs39 ($0.45) Amul pays per litre depending on the amount of fat, "but they won't buy every day; their demands are based on the market". Amul also provides subsidised cattle feed and veterinary services.

Mittalben Patel, a 43-year-old farmer from the outskirts of Anand in Gujarat, where Amul is based, said that because she was part of the co-operative, she had been able to build a herd of 200 cows from just one, two decades ago. "Amul takes all the milk I produce. The assurance that the product will be taken up . . . is crucial. Private buyers cannot compete with that. There is no better option for me," she said.

Amul, which makes 4 per cent of its sales from exports to 50 countries, is also looking to expand overseas. Last year, it partnered with the Michigan Milk Producers Association to open a fresh milk plant in the US and it recently opened one in Spain in partnership with the Cooperativa Ganadera del Valle de los Pedroches.

At the same time, it and the rest of India's dairy ecosystem are helped by high barriers to foreign competition. The country imposes duties of 30 to 60 per cent on dairy products according to Rupinder Singh Sodhi, president of the Indian Dairy Association and a former managing director of the Gujarat Co-Operative Milk Marketing Federation, the top division of Amul. "India does not need dairy from outside," he added.

Since independence in 1947, India has created tariff walls around agriculture, which employs nearly half the workforce of the world's most populous country. Prime Minister Narendra Modi has exhorted dairy farmers in his home state of Gujarat to make Amul "the world's largest dairy brand".

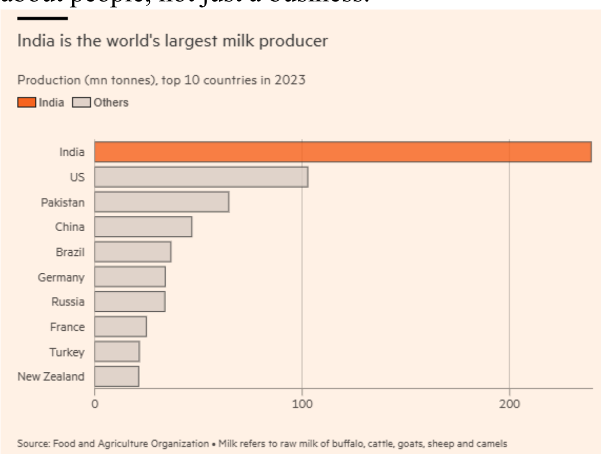
The sector is shielded from foreign competition in trade deals agreed with the UK this year and Australia in 2022 and in trade talks with the EU. India's insistence on protecting dairy has been a major sticking point in negotiating a bilateral agreement with the US, India's top trading partner, according to people briefed on the talks.

After Trump slapped 50 per cent tariffs on India this month, Modi said he would stand "like a wall" against any policy that threatens the interests of Indian farmers, including dairy.

An EU trade negotiator described Amul as an "Indian state in itself", representing a group of farmers larger than the total population of Uruguay. The government wants to keep them on its side, so "dairy is completely off trade talks; Amul is a huge constituency", the negotiator said.

Ashok Gulati, an agricultural economist at the Indian Council for Research on International Economic Relations, said the dairy sector in general and Amul producers in particular are "the biggest lobby against any dairy imports" because they "feel they are a sacred cow" that is "not to be touched".

But Vyas highlights the challenge of convincing younger generations to stick to dairy farming. "We have to protect our farmers. At the end of the day, it's not about money, not about blocking anyone. It's about farmers not to be distressed and move away from their livelihoods . . . Everyone has to understand we are talking about people, not just a business."



Amul was founded in 1946 as the Kaira District Co-Operative Milk Producers' Union. At that time, farmers were seeking to escape exploitation by intermediaries working for the Polson Dairy monopoly amid Britain's colonial dominance. They sought help from Sardar Patel, one of India's independence leaders and Gandhi's earliest political lieutenants.

He outlined the model of professional management of a union of local village co-operatives, through which farmers would control procurement, production and marketing.

The Amul brand, short for Anand Milk Union Ltd was established in 1957 by Verghese Kurien, an engineer from a Syrian Christian family, who in 1970 launched the "White Revolution" that transformed India from milk deficient to top producer.

Over subsequent decades, the model was exported to other states, creating a network of co-operatives that continues to underpin the dairy industry. Today, the industry provides a livelihood to more than 80mn households and in 2023-24 it generated output of 239mn tonnes.

"Amul's success is based on taking care of all the stakeholders in the supply chain," said Sodhi.

Although India opened up its dairy sector to foreign competition two decades ago, the co-op model is one reason it is hard for international food groups to gain much of a foothold. "There is still a bias in the system towards co-operatives, Amul being the most powerful," said Gulati. In India, as well as its 75 per cent market share in milk, Amul has an 85 per cent share of butter and 45 per cent in ice cream.

Its vast network of milk procurement centres — many farmers cannot afford to travel far to sell their produce — also gives it a significant advantage. It also has one of the longest-running and best-known advertising campaigns in India, courtesy of a hand-drawn cartoon of a little girl in a polka dot dress that first appeared in 1967.

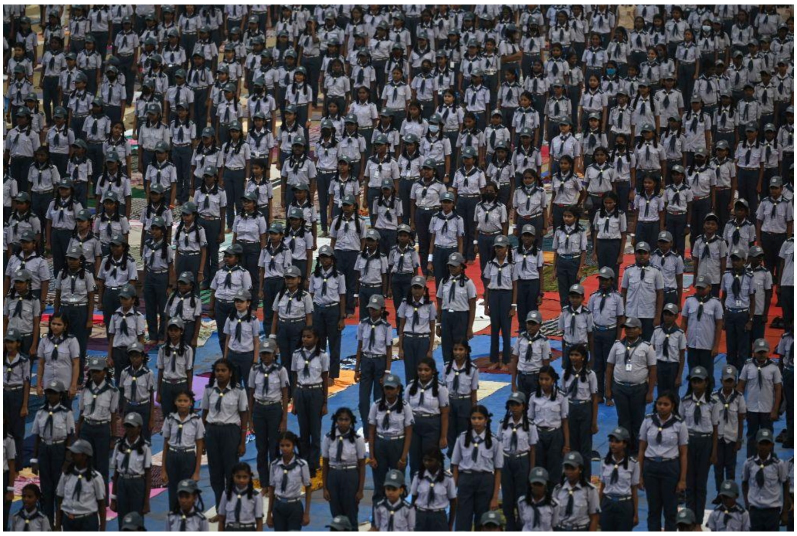
"Danone tried. Nestlé tried. Lactalis tried. Ultimately, they could not surpass the efficient system that we have in our supply chain," said Vyas.

DEMOGRAPHY – Regional disparities Challenges

Les mondes indiens se caractérisent par des dynamiques démographiques intenses et contrastées

(…) l'urbanisation rapide et différenciée des territoires transforme profondément les structures territoriales (…)

19 - How India's Record-Breaking Population Will Shape the World



School students take part in a yoga training session in Chennai on January 7, 2023.Arun Sankar—AFP/Getty Images

By Astha Rajvanshi, ***TIME***, April 19, 2023

On New Year's Day in 2021, nearly 60,000 babies were born across India—the highest number of births given anywhere in the world that day, according to UNICEF. The record-breaking number also contributed to India being on track to become the world's most populous country later this year.

On Wednesday, a newly-released U.N. report projected that India's population of 1.428 billion will surpass China's 1.425 billion in 2023. While the UN did not specify a specific date for the demographic crossover, a U.N. spokesperson told TIME that its Department for Economic and Social Affairs estimates this crossover will occur by July 2023.

Experts had already raised this possibility back in January based on estimates from the World Population Review, after China's National Bureau of Statistics announced that the country's total population declined by 850,000 between the end of 2021 and the end of 2022.

"There is no ideal population number for India, China, or any other country in the world. Far more interesting is how India and China can best unlock opportunities for their societies and economies, regardless of their size," the U.N. spokesperson added.

The development marks a new phase in India's growth on the global stage, riddled with the challenges of managing a rising population, but also an opportunity to "reimagine strategies and build on our successes to provide a healthy and happy life for its people," Poonam Muttreja, the executive director of the Population Foundation of India (PFI), told TIME.

What's behind India's growing population?

The biggest factor behind India's massive population is its young people: 650 million Indians—nearly half the country's population—are below the age of 25. And experts estimate that India won't hit its population peak until 2065, which means that even if the younger demographic produces only one or two children per couple, the population size will continue to increase over time before it stabilizes, driving what PFI calls the "population momentum."

India's historic lack of family-planning services also means that many Indian women aren't able to have smaller families. Although India was the first country to adopt family planning as an official policy in 1952, a period of economic and social stagnation led former Prime Minister Indira Gandhi to suspend all civil liberties during The Emergency in 1975. A mass drive to sterilize men compulsorily was also launched, which became so unpopular as a population control method that for the next two decades, subsequent governments didn't broach the topic of family planning at all. Instead, population control methods have focused on women: between 2013 and 2014, India carried out the majority of nearly 4 million sterilizations on women, according to government statistics. Until 2017, India's public healthcare system also didn't offer many contraceptive choices to men or women, something which Muttreja believes needs to change.

"We must empower our women to be able to decide if, when, and how many children to have," she said.

Contrary to popular perception, however, India's population growth rate has actually slowed down in the last few decades—from a 24.7% growth between 1971 and 1981 to a 17.7% growth between 2001 and 2011—due to the rising levels of education and healthcare, as well as the alleviation of poverty.

PFI adds that India can learn from China's shrinking population by achieving low fertility rates without imposing further population control methods. "India must put an end to the noise around the possible introduction of a two-child norm," said Muttreja, adding that a few Southern Indian states like Kerala, Tamil Nadu, and Andhra Pradesh have already achieved this by providing better access to education and development opportunities.

A large crowd of people walk through a market in Bangalore on October 23, 2022.Manjunath Kiran—AFP/Getty Images

What impact will India's population have on the country—and the rest of the world?

Becoming the world's most populous country can signal a "paradigm shift" for India's development, Muttreja said. That's because the country's younger population also comes with a huge potential to boost the economy—what economists usually call the "demographic dividend." In 2021, the working-age population of India stood at a whopping 900 million, according to OECD data.

Almost 40 years ago, India's population boom was described in menacing terms like "population explosion" and the "brain drain", a reference to India's young, skilled labor force that migrates to the West in search of better rewards for their potential. But SY Quraishi, who authored the book, "The Population Myth: Islam, Family Planning and Politics in India," said that both these concepts have changed over time. Today, this same labor force has instead become what he calls "human resources," or a boom to the Indian economy: "They are the CEOs of the world, and the source of an economic revolution that gives back 90 billion dollars in remittances from abroad," Quraishi said.

This group isn't just young, it's also dynamic: it grew up in a market economy with access to the Internet and a hunger to compete on the global stage. Two-thirds of the Indian population has access to smartphones, thanks to cheap data plans in the last decade. "This generation of young Indians will be the largest consumer and labor source in the knowledge and network goods economy," writes the U.S.-based Indian economist Shruti Rajagopalan.

And with rising tensions between China and the West, India has become an important player on the world stage. It will lead the charge on the G-20 this year, and as a founding member of the U.N., experts suggest it may even eye a permanent seat on the U.N. Security Council, of which China, but not India, is a permanent member. The country is also boosting production capacity by attracting international conglomerates like Apple, and turning smaller cities like Pune and Chennai into hubs of manufacturing, innovation, and technology.

What's more, a decreasing skilled population across Europe and America has resulted in a shortage of manpower, making India's population an asset that's "politically important and indispensable," Quraishi said. "Other countries may be hating India, but they love our market."

But India has its challenges, too

Despite the obvious advantages of having a populous country, Quraishi added that the Indian government has failed to prioritize the upskilling of its young people, given that India's labor force participation rate, which accounts for how much of the country's working-age population works or wants to work, is it a mere 40%.

Millions of young Indians feel discouraged by their job prospects and actively decide to opt out of working, choosing instead to continue studying, stay home or rely on their family members for financial support. India's high unemployment rate has hovered around 7 to 8% in the last year (rising from 5 to 6% in 2021), according to the Centre for Monitoring Indian Economy (CMIE), which has led to a shrinking workforce.

To absorb the young working population, India will need to create at least 90 million new non-farming jobs by 2030, a 2020 report by McKinsey Global Institute states. Muttreja and the PFI agree, noting that the government also needs to invest in a "time-bound manner" so that young people are productive and can contribute to the national economy.

"In order to leverage the demographic dividend, the country will have to place the youth at the center of its policies," she said.

She added that India needs to include those who have traditionally been excluded from its development agenda in order to harness the full potential of its young people—notably, women who continue to have more children than they wish to have and, more broadly, the vast majority of women—by removing barriers to women's agency and reproductive autonomy.

"India can do better by investing in women's equity and economic development," she said.

20 - India's north-south divide is fraying the political compact

Demographic shifts mean the next census could trigger a long-postponed redrawing of constituencies

Duvvuri Subbarao, ***The Financial Times***, SEP 8 2025
The writer is a former governor of the Reserve Bank of India

Over the past year, the chief ministers of two South Indian states — Andhra Pradesh and Tamil Nadu — have been urging their people to have more children. In a country long concerned that rapid population growth is undermining development, such appeals are ironic. But behind this unusual call lies a deepening grievance: that southern states are being penalised, both economically and politically, for their success in population control.

The economic roots of this grievance lie in the formula used to distribute financial resources from New Delhi to the states. These transfers are heavily weighted by population. Prosperous southern states like Tamil Nadu contribute more to the national tax pool but receive less in return — less than a rupee for every rupee sent. In contrast, northern states with higher populations and lower per capita incomes often receive more than they contribute.

While some level of cross-subsidisation is inevitable — indeed, essential — in any federal system to promote balanced development, southern states are beginning to question whether they are being unfairly burdened. The issue is not merely financial; it strikes at the heart of federal equity. When better-performing states feel they are being punished for their efficiency, the compact of co-operative federalism begins to fray.

The political dimension of this rift — linked to the delimitation of parliamentary constituencies — is even more contentious. Indian law requires that constituency boundaries be redrawn after each decennial census to reflect population changes. However, this exercise was deferred for 25 years in 1976 and again in 2001 to avoid disincentivising states from pursuing population control.

This has created a serious imbalance. Today, some constituencies have over three million voters while others have fewer than a million. Although absolute equality of voters per constituency is not practical, the value of a vote varying widely across the country runs counter to the democratic principle of equal representation.

The next census, scheduled for 2027, could trigger a long-postponed delimitation. States that have effectively curbed population growth — primarily in the south — now face the prospect of losing parliamentary seats and, with that, political influence.

In essence, the southern states feel doubly disadvantaged: they subsidise the less developed north economically and may soon lose ground politically.

The central government under Prime Minister Narendra Modi could, in theory, defer delimitation again. But this appears unlikely. The ruling Bharatiya Janata party draws substantial political strength from the populous Hindi heartland of the north and may see delimitation as a way to consolidate that base. While home minister Amit Shah has reassured southern states that they will not lose seats, he has not guaranteed that the number of seats in northern states will not increase. This ambiguity has only deepened southern anxieties.

Allowing this debate to escalate unchecked would be unwise. India still faces a serious population challenge. At 1.45bn, the country's population already exceeds the ecological carrying capacity of its land and resources. The solution to uneven population distribution across the country is not for the more successful states to reverse their progress and boost fertility. Instead, the focus should be on encouraging internal migration to better balance population pressures through improved housing, urban infrastructure, language support and inclusive labour policies.

India aspires to become a developed nation by 2047, the centenary of its independence. Achieving that goal will require sweeping structural reforms in governance, productivity and inclusion. But these reforms cannot be driven by New Delhi alone — they need the trust, co-operation and participation of all states.

21 - India's rich flock to Mumbai's new billionaires' row

Transformation of city's infrastructure creates seafront neighbourhood for ultra-rich on single street
Krishn Kaushik in Mumbai, ***The Financial Times***, OCT 2 2025

India's richest tycoons are creating a new "billionaires' row" on a single street in Mumbai, piling wealth into developments in a seafront district transformed by the city's infrastructure boom.

Billionaires such as banker Uday Kotak and pharmaceuticals entrepreneur Dilip Shanghvi have bought properties on Worli Sea Face, wooed by sea views and decent transport connections after the construction of a $1.5bn coastal road. The one-time industrial heartland already counts among its residents Isha Ambani, the daughter of Mukesh Ambani, Asia's richest man.

For India's wealthiest, "Worli Sea Face today is the place to be", said Gulam Zia, a senior executive director with property consultant Knight Frank.

Naman Xana tower, built on the site of a dilapidated bungalow that had been empty for decades, epitomises the transformation of the area into one of the city's most desirable abodes.

Four of India's richest families have bought at least seven of the 16 apartments in the 24-storey building, said Jayesh Shah, chair of the Shree Naman Group, an assertion backed up by land sale records seen by the Financial Times, real estate agents and local media reports.

Pharmaceutical tycoon Leena Gandhi Tewari, chair of USV pharmaceuticals, bought two apartments for nearly $75mn, Shah said. Dilip Shanghvi's wife Vibha has bought two apartments in the building and Tanya Dubash, executive director at her family conglomerate, Godrej Group has bought a duplex in the tower. Barnsley football club owner Neerav Parekh also owns two apartments there.

"The rich want a good community," said Shah, adding that "the ultra-rich only want exclusivity and privacy". Each floor has 6,000 square feet and views of the Arabian Sea. He said another eight apartments had been sold, but did not say to whom.

India has nearly 200 billionaires, according to 360 One, a top wealth management company, and a third of them live in Mumbai. A flood of initial public offerings in one of the world's most buoyant equity markets has increased the ranks of wealthy buyers, boosting the high-end property market.

This has helped make Worli Sea Face the most coveted stretch of real estate in the country's premium market.

Banking billionaire Kotak has paid more than $80mn in total for two neighbouring properties on the Worli Sea Face — a bungalow he bought in 2018 and the adjacent apartment building this year. Work is under way on the bungalow, and he intends to demolish the second building to expand his own home, according to two people aware of his plans.

"We did this presentation to him [Uday Kotak], calling it the emerging billionaires row," Zia said. "We could see that, because of the coastal road coming in, Worli could get its due position in the market."

Cyril Shroff, head of India's largest law firm, Cyril Amarchand Mangaldas, and father-in-law to Gautam Adani's son Karan, is redeveloping his property on Worli Sea Face.

Worli, once home to the cotton mills that were the city's economic backbone and more recently to office complexes, is at the heart of a redevelopment that began more than two decades ago and includes metros, an airport and a seaport.

The biggest names in Indian business are involved. Ambani's Reliance group has promised to develop a series of parks along the stretch of the coastal road, including promenades, cycling tracks and other public spaces. A road will connect them to an airport, built by the Adani group, on the city's outskirts.

A new road network, which converges on Worli, is almost complete after a decade.

"With major infrastructure projects under way and limited new supply, we expect prices to see steady growth," said Arvind Nandan, managing director of research and consulting at Savills' India arm.

For India's rich, "aspirationally, the house comes first", said Shah of the Shree Naman Group. "Then the next thing is they'll buy private jets and they'll buy yachts and blah, blah, blah. But this is priority."

Property	Owner	Company name	Net worth
Roopam Bungalow	Cyril Shroff	Cyril Amarchand Mangaldas	n/a*
Champagne House	Uday Kotak	Kotak Mahindra Bank	$11.2bn
Shiv Sagar	Uday Kotak	Kotak Mahindra Bank	$11.2bn

*Daughter is married to Gautam Adani's son

Property	Owner	Company name	Net worth
Naman Xana	Dilip and Vibha Shanghvi	Sun Pharma	$22.6bn
	Leena G. Tewari	USV Pvt	$1.9bn
	Tanya Dubash	Godrej Industries	$438mn
	Neerav Parekh	Pidilite (He also owns Barnsley Football Club)	$343mn

Property	Owner	Company name	Net worth
Karuna Sindhu	Isha Ambani/ Anand Piramal*	Reliance Industries/ Piramal Enterprises	$43bn/ $627mn

*2012 (House owned by Piramal family, before Isha Ambani married their son)

Sources: 360 One; FT research
© FT

Visual journalism: Cleve Jones

22 - India's census will be consequential—and controversial

The country's politics will be reshaped along the lines of caste, gender and geography

Illustration: Ben Hickey

The Economist, Nov 12th 2025|MUMBAI

By Leo Mirani, Asia correspondent

How do you count to 1.45bn? Start with 3.5m. That is the number of people who will knock on doors, compile spreadsheets and crunch data to conduct a new census in India, the world's most populous country. It is a colossal undertaking. Enumerators will venture into deserts, trek into jungles and climb soaring mountains to reach remote villages. The formidable task will be accomplished by breaking it up into phases: in April 2026 officials will collect data on every dwelling in India. The actual count of humans will begin in a handful of states and territories in October. The rest will follow in March 2027.

Like most countries, India usually conducts a census once a decade. But covid-19 disrupted plans for the 2021 edition and various excuses were offered for further delays after the pandemic receded. A full 16 years will have elapsed by the time the new census is completed. In the interim, hundreds of millions of Indians have risen from poverty, mobile broadband has blanketed the country and average incomes have doubled. All of that alone makes this count unusually important. But additional demographic and political factors make it the most consequential census since independence. **It will reshape the country for decades.**

The most anticipated effect is a boost in the quality of governance. Census figures form the bedrock of policymaking. Without up-to-date numbers, it is difficult for governments to target welfare schemes, essential services, infrastructure-building and much else that a poor and fast-growing country like India needs. Fresh figures should enable the central and state governments to vastly improve the design of their policies. New data may also provide evidence of the material improvements that Narendra Modi, India's prime minister, claims to have brought to people's lives since he took power in 2014.

Less predictable, but potentially far more momentous, will be the release of numbers about caste. India has an elaborate system of caste-based affirmative action and its politics is still dominated by caste coalitions. Yet no one has any idea how many people belong to which caste and where. For the first time since independence, the census will ask people about this sensitive subject. The results will produce winners whose numbers have grown, and who can thus demand a greater share of the pie, and losers, who cannot. That could rewrite the rules of Indian politics.

This will be the most important census since independence

The census will also be the trigger for another form of affirmative action. India has mulled quotas for women in national and state legislatures for three decades. Although the country had a female prime minister as far back as the 1970s, the overall representation of women in politics remains poor. Only 14% of lawmakers in the current parliament are women, and about a tenth in state assemblies. That is set to change. In 2023 India's parliament amended the constitution to reserve a third of its seats and those of state houses for women, with effect from the first election after the census. Some worry that powerful male politicians will game the system by installing wives or daughters, but quotas will boost women's representation at the highest levels of Indian politics.

The final and potentially most significant effect of the census is still unconfirmed, but widely expected. India is supposed to redistrict its parliamentary constituencies after every census. But this process was put on hold after 1971 to avoid penalising states that fared well in controlling their population. The result is a lopsided system where some lawmakers represent 3m people, while others represent half as many. The redistricting pause expires in 2026 and all indications are that the government intends to redistribute seats (and may increase their overall number, too).

That would enable India's cities, which function as its economic engines but wield almost no political power, to demand more attention and funding. And the richer, more progressive but less populous southern states would cede political power to the poorer, more populous north. Pundits say this would cement the dominance of Mr Modi's Bharatiya Janata Party, which is popular in the north and a near nonentity in the south. Yet it is hard to argue against redistricting: a democracy where one vote is worth twice as much as another is unworthy of the name.

The forthcoming census, then, will transform how power is distributed in India by caste, gender, culture and geography. It will really count.

23 - Indian cities are utterly unprepared for what is about to hit them

The urban population is set to double by 2050

The Economist, Aug 1st 2024|MUMBAI|

THE BRITISH, under whose colonial rule Bombay grew from a collection of mosquito-infested islands into a metropolis, called their creation “Urbs Prima in Indis”—the first city in India. So it remains. Home to corporate headquarters, the country’s biggest port, and the film and television industries, Mumbai—as it has been called since 1995—is the richest, densest and most liberal city in the country. It is urban India at its most intense.

It is also the most extreme example of the myriad problems facing all Indian cities. Mumbai has more billionaires than any city in the world barring New York and London, but it also has a greater proportion of people living in slums than any other Indian city. It has been battered in recent weeks by incessant monsoon downpours that, as they do every year, have caused flooding and destroyed roads. Its public transport is bursting at the seams. On average, seven people are killed on the commuter-rail system every day.

The government’s answer is to build more. Projects already under construction include a six-lane highway along the western coast, a series of bridges linking the western suburbs, roughly a dozen metro lines, a new airport, a high-speed rail link and a plan to rehouse the million-odd residents of Dharavi, a giant slum, at the cost of tens of billions of dollars.

Splurging on infrastructure, though necessary, will not be enough. Metro lines and coastal highways were first proposed in the 1960s, when Mumbai’s population was just over 5m. Today that number is estimated at around 20m. It is projected to double by 2050. So is the population of urban India as a whole. “If you think that urbanisation is a problem today…try overlaying another Mumbai on top of this Mumbai,” says Shashi Verma, who oversees technology at London’s transport authority and advises Indian policymakers on a pro bono basis. Preparing for this growth, says Mr Verma, “is not tomorrow’s problem. It’s not even today’s problem. It is actually yesterday’s problem.”

India is far from ready. No one knows how many people live in its cities today. The last census was taken 13 years ago. The central government shows no signs of conducting a fresh one. The census definition of an urban area is narrow, but even by its strict standards one in three people lived in cities in 2011. Today perhaps as many as one in two do. One thing is clear: the hundreds of millions of urban Indians will soon be joined by hundreds of millions more. Yet the Ministry of Housing and Urban Affairs was allocated a mere 1.7% of the national budget announced on July 23rd. For India’s cities to cope, urban authorities must focus on three things.

The first is to deal with the main reason that cities fail to build adequate housing: land-use regulations. An overly prescriptive, 2,200-page National Building Code and a surfeit of local rules prevent developers from making optimal use of pricey urban land. Mumbai has some of the most restrictive land-use regulations of any global megacity. In most well-functioning cities about 90% of land is given over to streets, public spaces and buildings. In Mumbai and other Indian cities, those uses take up less than half of the land area, according to analysis by Bimal Patel, an urban planner. The rest is wasted on “private open spaces”—mostly building compounds that are walled off and put to no good use.

The result is that Indian cities are sparsely built-up yet feel densely crowded, note Sanjeev Sanyal and Aakanksha Arora of the prime minister’s Economic Advisory Council. Cities sprawl outwards, driving up the cost of providing infrastructure.

Making India’s cities denser and more affordable would help with the second challenge: public transport. If India’s cities are to double in size, private vehicles cannot be the answer. Of the world’s ten most gridlocked cities, three are in India. The government has splashed out on costly metro-rail systems in recent years, but less glamorous (and more useful) public bus networks have been neglected.

The third issue facing India’s cities is climate change. This year the country experienced its longest-ever heatwaves. They will only become more frequent, India’s chief meteorologist told a local newspaper. Urbanisation is itself a cause of higher temperatures, accounting for roughly 38% of warming in Indian cities, according to a recent study. Concrete and tarmac retain heat, cars stuck in traffic radiate it and air-conditioners breathe it out. The poorest suffer the most. In Mumbai, densely packed slums can be between 5°C and 8°C hotter than neighbouring residential areas. Researchers estimate that the city’s economy stands to lose $6bn annually from excessive rain and flooding by 2050.

Many Indian cities have disaster-management protocols and “heat-action plans” to deal with extreme weather. These revolve around providing flood shelters or cooling stations. But they tackle only symptoms. Robust public-transport systems and affordable housing are better tools for dealing with causes. So are greenery and building design. India’s building code should shift its focus towards insulation and ventilation.

In 2022 economists at Kyushu University in Japan found that despite poor conditions and the absence of basic services, slum residents in Mumbai were happier and more satisfied with their lives than rural populations in the city's hinterlands, owing to higher social trust and better wages. So long as India's cities offer the hope of a better life, however slim, they will continue to grow—whether they are prepared for it or not. ■

About the densely populated urban areas, see also

● **As Dense Cities Encircle India's Busiest Airports, Dangers Multiply – *The New York Times*, June 19 2025**

The crash of an Air India flight shows how the country's ambitions of rapid growth are often superimposed on urban infrastructures already pushed to the limit. HERE

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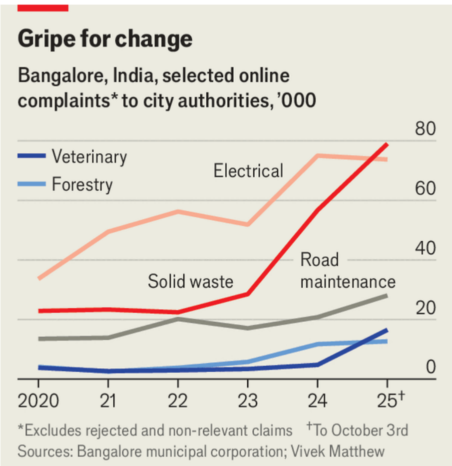
24 - Will this experiment fix India's Silicon Valley?

Bangalore*'s example of local governance could be copied by other Indian cities*

The Economist, Oct 9th 2025|BANGALORE|

BANGALORE HAS a good claim to be India's most pleasant city. The weather is agreeable nearly year-round. World-class restaurants, a huge variety of pubs and a rash of new coffee shops provide ample sustenance. New cultural institutions are coming up, funded by a first-generation billionaire class created by the city's tech boom. Rents are more affordable than in the megacities of Delhi and Mumbai.

But administratively Bangalore is a disaster. For visitors, it is the legendary gridlock that is most visible. The city ranks third-worst globally in a traffic index compiled by TomTom, a navigation service. Locals get around this by living near work and shrinking their social lives to their neighbourhoods. But there is no escaping the city's other failings. Garbage festers uncollected. Street lights do not work. Potholes are everywhere. Five years ago the authorities received under 75,000 complaints in these three categories. In the first nine months of this year they received over 180,000 (see chart).



These problems are not unique to Bangalore (which is formally known as Bengaluru, though many residents use the old name). Most Indian cities, especially the big ones, are gridlocked, filthy and maladministered. But Bangalore is unique in trying to do something about it. Earlier this year the state of Karnataka, of which Bangalore is the capital, abolished the city's municipal corporation and replaced it with five smaller corporations (see map) overseen by a new Greater Bengaluru Authority (GBA). The transition will be complete once local elections are held early next year. The new design has the potential to transform the city. If it succeeds, it could serve as a blueprint for other metropolises.

About a third of India's people lived in its cities at the last census, in 2011, a share that is now closer to half. Cities contribute the vast majority of direct taxes and at least 60% of GDP, according to the government. Yet they account for just 15% of public employees and a negligible 3% of government spending. By contrast, America's cities command over a quarter of spending while in China it is more than half, according to a paper by Devesh Kapur of Johns Hopkins University.

The reason is what V. Ravichandar, one of the architects of the GBA, calls a "defect at birth in the context of urban India". The constitution demarcates powers and functions between the central and state governments (with some overlap), but barely mentions cities. In 1992 parliament amended the constitution to allow the devolution of power from states to cities. But it did not make it mandatory; most states ignored it. The amendment, says Mr Ravichandar, "has not worked anywhere in the country".

This gets at the core reason for urban India's ills. Cities are run by their states. Metropolitan revenue-raising powers are minimal, mostly from property taxes. Funding comes largely from the state or central government, or via grants for special schemes. Executive power is in the hands of bureaucrats appointed by the state. Political power, too, lies with the state. Mayors are figureheads. Elections for corporators—as councillors are known—are frequently delayed or simply abandoned. Bangalore has not had any elected officials for five years. Mumbai last held local elections in 2017. State politicians, meanwhile, tend to focus more on rural areas, where most of their voters live. In 2011 Bangalore's population of 8.4m made up just 14% of Karnataka's 61m.

Another big reason for urban dysfunction is that cities lack powers. In Bangalore, a raft of authorities with unwieldy acronyms runs things like planning and zoning (BDA and BMRDA), water supply and sewerage (BWSSB), transport (BMTC and BMRCL) and housing (KHB and KSDB). Turf wars and internal politicking impede co-ordination even at the state level. Many big cities suffer from similar problems. "The principal challenge in India is that the city is not a unit of economy or governance," says Srikanth Viswanathan of Janaagraha, a non-profit in Bangalore. This leads to a "severe fragmentation" of governance.

Unreal city

This is where the GBA comes in. Its promise is three-fold. The first is decentralisation. By splitting a large corporation into five, the new system should make a city that has grown dramatically—the population is estimated to have expanded to 14m —more accountable to its citizens. Some Bangaloreans say they already find it easier to reach their new corporations.

The second, counterintuitively, is centralisation. The GBA is intended to resolve, or at least lessen, the chaos of an alphabet soup of authorities each doing its own thing. It will co-ordinate between corporations and also between them and the agencies. The hope is that this will help the city better plan its services and development.

Yet it is the third function of the GBA that is most telling. The chairman of the body is the chief minister of Karnataka. The vice-chair is the minister for Bangalore. "De facto the state is in control of the city. It's a reality," says Mr Ravichandar. "Now in a sense we have smoked them out and brought it out into the open. Isn't it better that the state has no place to hide and to take overt ownership?" For the first time, political power and political responsibility for a city will rest in the same place.

Not everyone is convinced. Ashwin Mahesh, a former urban adviser to the Karnataka government, says that smaller corporations are not a panacea. He argues that better co-ordination could have been achieved by empowering the old municipal body. But his biggest objection, echoed by other critics, is that the GBA violates parts of the 1992 constitutional amendment, opening the door to lawsuits that could result in it being struck down. Ramanath Jha of the Observer Research Foundation, a think-tank, writes that the body is a "nail in the coffin of [urban] empowerment".

The critics are not wrong. India's cities urgently need power over their own fate. Yet the likelihood of any state voluntarily handing over power, or creating a new class of political challengers, is remote. The GBA is a grand experiment in whether India can improve its cities within the constraints of its imperfect system.■

25 - Which is India's superstar state?

We pit two heavyweights against each other

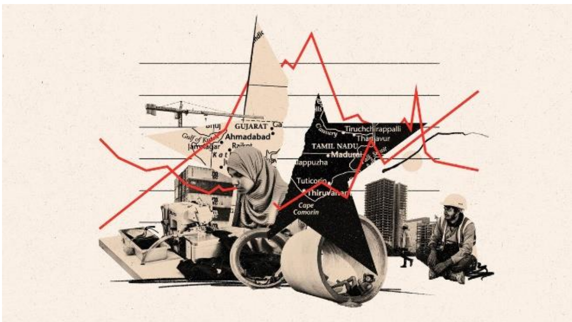


Illustration: Klawe Rzeczy

The Economist, Nov 13th 2025|AHMEDABAD AND CHENNAI|

HOW FAST should India grow? Narendra Modi, the prime minister, wants it to gain "rich-country" status by 2047, the centenary of its independence. A back-of-the-envelope calculation suggests that will require its economy to expand by around 8% annually, up from roughly 6% on average over the past 25 years. Only a few big states reliably post such numbers.

Two places in particular are held up as exemplars. One is Gujarat, a heavily industrialised western state that Mr Modi ran for more than a decade before he became prime minister in 2014. The other is Tamil Nadu in the south-east, which is growing by double digits, making it India's top performer last year among the states that have reported figures. Which offers the better model to their poorer neighbours?

Start in Gujarat, a socially conservative state with as many people as Britain (but much better food). Gujarat is home to about 5% of India's population but produces more than 8% of GDP and accounts for more than a quarter of exports. In the decade to 2022-23, the last financial year for which Gujarat has published data, its economy expanded at an annual rate of around 8% at constant prices. Income per person is 60% above the national average.

For generations Gujarat has prospered as a manufacturer of textiles, polisher of diamonds and hub for shipping. More recently it has sold itself as a home for capital-intensive megaprojects, such as in pharmaceuticals and petrochemicals. It is now attempting to grow in financial services and to break into chipmaking.

The state won business in part through big investments in infrastructure, note Christophe Jaffrelot, Vignesh Rajahmani and Neal Bharadwaj in a paper for the Institut Montaigne, a French think-tank. Over roughly 20 years Gujarat boosted its power-generating capacity five-fold; it also earned a reputation for an ever-expanding network of high-quality roads. Yet its success comes with a big caveat. Too many ordinary Gujaratis have seen too little benefit from the state's riches. Nearly 12% of them live in "multidimensional poverty", a composite measure of 12 indicators. That is five times more than Tamil Nadu and about the same as West Bengal, a much poorer state.

One explanation is that Gujarat's megafactories can turn large profits without creating all that many jobs. But poor education is another. Less than half of Gujarat's youngsters study to high-school level, according to data compiled by the Reserve Bank of India—below India's national average of 58%. The state has "nice roads and nice infrastructure", says Indira Hirway, an economist in Ahmedabad. "What it needs is investment in human beings."

Two hours south by flight is Tamil Nadu, another littoral state that is roughly as rich and as populous. Last year its economy expanded by 11%. The spurt has a lot to do with the growth of electronics manufacturing—and, in particular, Apple's decision to increase the number of devices it makes in India. Tamil Nadu exported around $15bn of electronics last year (about 40% of India's total), up three-fold from 2022-23. But the state is also a big maker of cars, motorbikes and lorries. And it has managed to pick up some of the tech-services and other back-office work that are usually associated with places like Bangalore and Hyderabad.

Tamil Nadu lags Gujarat in many telling ways. The electricity grid "is atrocious" by comparison, says Richard Rossow at the Centre for Strategic and International Studies, a think-tank in Washington. It has invested less in humongous highways. It spurns incentives on the scale found in Gujarat. Yet when it comes to creating a healthy and well-educated workforce, Tamil Nadu outstrips most peers. Its primary-health centres have about 60% more doctors than Gujarat's; its public hospitals have more than twice as many beds (and the most, in absolute terms, of any state). Over 80% of its youngsters stay in school for the maximum period. Around half of young adults go on to college or university (the national average is 28%).

Improving health and brainpower has helped ensure the spoils of growth in Tamil Nadu are widely spread. The state has far fewer very poor people than Gujarat, even though its GDP per person is similar. Part of the reason the state has excelled in providing public goods, even as Gujarat—and much of India—focuses on hard infrastructure, is that Tamil Nadu started social reforms a century ago. Many other states remain "feudal bastions", says J. Jeyaranjan of the State Planning Commission.

Success in social policy in turn boosts industry. A.R. Unnikrishnan, the chairman of the local branch of the Confederation of Indian Industry, says the state's many engineering colleges produce a striking amount of talent. Another reason that Tamil Nadu has won so much electronics manufacturing is that it offers a well-educated female workforce. (Assembly companies say they prefer women for their smaller hands.) About 40% of all the women who work in manufacturing in India are employed in Tamil Nadu.

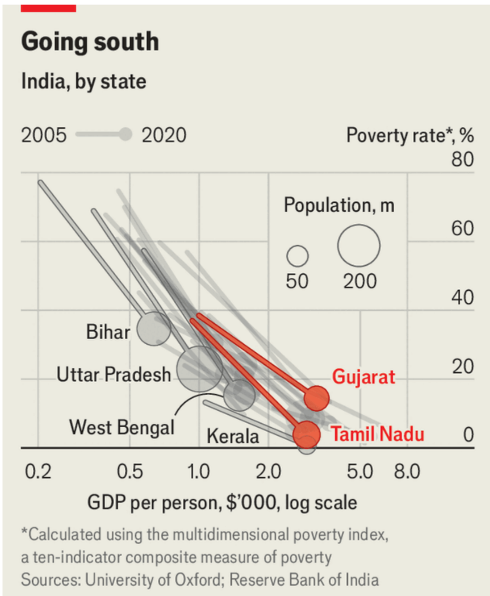


Chart: The Economist

What can India learn from all this? Its states are wildly diverse (see chart). If the country is to grow as fast as policymakers hope, each one will have to play to its own strengths. Gujarat and Tamil Nadu have benefited from their coastal locations. They have business-friendly cultures and big foreign diasporas. These are not things that less fortunate states can quickly acquire, no matter how wise their leaders.

The pair offer lessons nonetheless. All across India politicians find it easier and more appealing to seek growth by laying concrete than by pumping up skills. New roads and bridges make for good front pages and bring immediate benefits. The fruits from improving schooling, by contrast, come much slower. Yet unleashing the power of India's young and massive population will require investment in health and education. It will also mean fighting obstacles, such as sexism, caste and environmental degradation that keep people from fulfilling their potential. This is far from easy work. But, as Tamil Nadu shows, it would pay off in spades.■

About disparities between states see also

- https://www.economist.com/asia/2025/11/13/kerala-can-teach-india-a-thing-or-two-about-social-welfare

BANGLADESH

The World Ahead | Asia in 2026

26 - Will Bangladesh's revolution bear fruit?

The country hopes finally to hold free and fair elections

The Economist, Nov 12th 2025

By Vishnu Padmanabhan, Asia correspondent and news editor, The Economist

When Muhammad Yunus took charge of Bangladesh's caretaker government in late 2024, he promised a national rebirth. The microcredit pioneer and Nobel laureate was appointed as the country's interim leader after student-led protests toppled Sheikh Hasina, the prime minister, and her party, the Awami League. For 15 years she had run the country of 170m with increasing despotism, gutting its institutions and depleting its reserves. Her downfall was celebrated, in Bangladesh and beyond, as a triumph for democracy. The coming year will be pivotal in shaping the country's future.

The new dawn was soon clouded by uncertainty. Bangladesh spent much of 2025 in political limbo. After months of delay, the interim government finally revealed a package of democratic reforms in October, but doubts linger over its implementation and legality.

More troubling is the risk of another cycle of political retribution. Politicians and the public have made it very clear that they want some accountability for the Awami League's excesses. But ngos have accused the interim government of unfairly targeting Awami supporters, many of whom have been locked up. It has also banned the party from political activity on national-security grounds, in a move that recalls the vengeful style of politics that has long plagued the country.

The good news is that in early 2026 Bangladesh may finally get an election. That would be a victory in its own right. The previous one, in 2024, was deemed a sham by most international observers, featuring almost no opposition candidates and voter turnout of around 40%.

Bangladeshis hope the vote will herald a period of stability. But there are fears a new government could bring back old problems. Leading in the polls is the Bangladesh Nationalist Party, which faces allegations of corruption. Also prominent is the Jamaat-e-Islami, an Islamist group accused of indulging extremists.

Whoever wins will inherit formidable economic challenges. The once-booming garment sector has been hit hard by American tariffs. Unemployment is a big problem, especially among the young.

On foreign policy, too, tough decisions loom. Under Mr Yunus, Bangladesh has lurched towards China, signing deals on trade, infrastructure and defence. This has angered India, traditionally Bangladesh's strongest ally. Closer to home, the new leaders will need to tackle a humanitarian crisis as Rohingya refugees from Myanmar's civil war continue to flow into the south. Bangladesh's capacity and patience to host them are wearing thin, especially after America's cuts to aid.

After the country won independence in 1971, the joy from the birth of a nation was snuffed out within four years by a military coup. Bangladeshis are hoping that the optimism and promise of this second birth will last much longer than that.

27 - VIDEO - Bangladesh: how the 'gen Z revolution' forced the prime minister to flee

The Guardian Video, August 2024

https://www.youtube.com/watch?v=7L2s5jLAr90

See also : VIDEO The Fall of Bangladesh's Iron lady

https://www.dw.com/en/the-fall-of-bangladeshs-iron-lady-sheikh-hasina/video-74771804

28 - VIDEO Report - Bangladesh's missing billions, stolen in plain sight | FT Film

Over $200bn was allegedly plundered from Bangladesh during Sheikh Hasina's time as prime minister

The Financial Times, SEP 11 2025   HERE

An estimated $234bn was allegedly plundered from Bangladesh during Sheikh Hasina's 15-year reign as prime minister. The FT talks to protesters, politicians, business people and experts about how the money was taken out of the country and what - if anything - can be done to get it back.

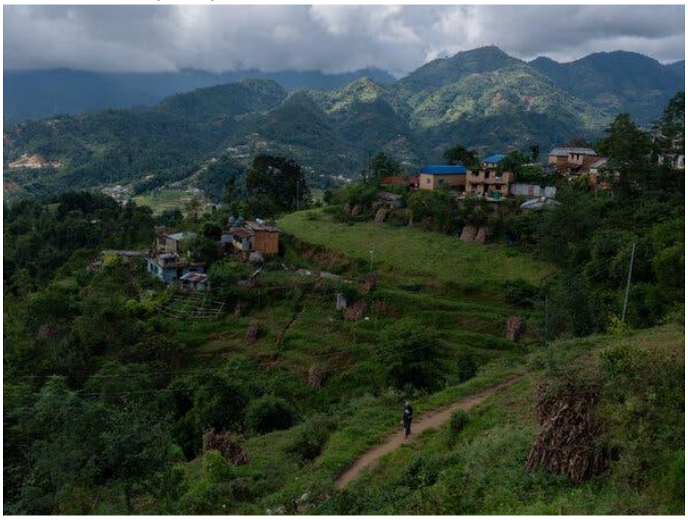
NEPAL

About Tibet-in-exile

- https://www.nytimes.com/2025/07/06/world/asia/dalai-lama-tibetan-administration.html
- https://www.nytimes.com/video/world/asia/100000010250045/why-the-dalai-lamas-succession-is-complicated.html
- https://www.nytimes.com/2025/07/02/world/asia/next-dalai-lama-tibet.html

29 - No Country for Young People: Nepal's Gen Z Sees Little Hope at Home

The protests that rocked Nepal were about more than a social media ban. The economy is so dire that for many, going abroad seems the only way to build a future.



The Himalayan village of Chamkhar in Nepal has beautiful scenery, but little economic opportunity for its residents.Credit...Uma Bista for The New York Times

By Anupreeta Das

Anupreeta Das spoke to more than two dozen people in and around Kathmandu, Nepal, after the recent protests.

The New York Times, Oct. 23, 2025

In his hometown, Chamkhar, a tiny village of breathtaking beauty tucked into the hillside about an hour away from Nepal's capital, Rajendra Tamang sits plotting his future.

The golden fields of corn, verdant slopes and imposing views of Himalayan peaks hold little opportunity. Neither does the rest of Nepal, Mr. Tamang, 22, said. Jobs are scarce and competition is fierce, even for low-paying work. Wealth disparity is high and corruption is endemic.

Two years ago, Mr. Tamang moved to Dubai, where he worked 16-hour days, six days a week, switching between jobs as an office peon, a cleaner and a warehouse worker. He earned four times the salary he could expect in Nepal, but the grueling shifts wore him down. As he browsed Dubai's malls on his days off, he noticed that baristas and secretaries were in demand.

Adding such skills to his résumé could increase his employability, Mr. Tamang reasoned. So he came home and enrolled himself in a two-month barista training course in Nepal. He learned how to operate a coffee machine, the difference between a cold brew and an iced coffee, and how to draw pretty patterns in cappuccino foam. He is hoping that his skills will distinguish him from the tens of thousands of Nepalis who are also looking for jobs overseas.

"I just don't want to work in Nepal," Mr. Tamang said. "You have to get out."

Sick of Corruption

In tiny hamlets and passport lines, on the streets and inside chic cafes, many young Nepalis — whether they are college graduates or never finished school — say they feel hopeless and frustrated.

Persistently high unemployment and inadequate investment in skills training have hurt economic growth. The country relies heavily on remittances sent home by citizens working abroad, which equal about a third of Nepal's gross domestic product. At the same time, many Nepalis say they experience corruption in their everyday dealings with bureaucracy, and an entrenched elite is widely seen as having reaped ill-gotten gains.

Those feelings morphed into rage in early September, when thousands of students took to the streets to vent their anger at corruption, in what came to be known as the Gen Z protests. The immediate trigger was a social media ban — which coincided with a viral surge of memes targeting "nepo kids," the privileged children of the elite. The protests spiraled into a nationwide arson rampage and led to the downfall of Nepal's government.

The Singha Durbar government complex in Kathmandu, Nepal's capital, was burned and vandalized after protests broke out last month. Credit...Atul Loke for The New York Times

"The Gen Z protest was a necessary movement for change," said Lal Bahadur Ghising, 32, a cabdriver who spent two years working in Malaysia and used his savings to buy a taxi, which he now drives full time. "Bribery is rampant."

Nepal is one of Asia's most corrupt countries, according to Transparency International's Corruption Perceptions Index, which measures how corrupt a country's public sector is perceived to be.

Many officials and contractors skim money from government contracts, said Ashish Thapa, the executive director of Transparency International Nepal. More than half of that money stays in Nepal, often used to buy land and homes and to invest in businesses, he said.

But the protests were about more than corruption. They spotlighted the longstanding realities of a large, young population facing an uncertain future.

Pressure to Leave

Five days after the student protests, as the capital, Kathmandu, returned to calm, the Department of Passports was bustling as usual. Hundreds of people clutching documents stood in a line that grew by the minute, sloping into the building's pitch-black basement parking lot. Most were young, and many were applying for their first passports.

The map locates Kathmandu, the capital of Nepal, as well as the nearby village of Chamkhar.

The New York Times

Sunita Bishwakarma, 29, had arrived at 9 a.m., an hour before the office opened. Ms. Bishwakarma, who is unemployed, has no immediate plans to go abroad but said her brother, who works as a security guard in Kuwait, had urged her to apply for her passport.

"If you go abroad, at least it's a better place," Ms. Bishwakarma said he told her. Ms. Bishwakarma said she would rather raise her three boys in Nepal, but the recent turmoil and the overall state of the economy gave her little hope. "It forces us to leave," she said.

The Department of Passports in Kathmandu is always busy, with hundreds applying for their first passports.Credit...Uma Bista for The New York Times

Grim statistics about the economy abound. In 2023, the Nepal Living Standards Survey found that nearly a quarter of Nepalis between the ages of 15 and 24 were unemployed, almost double the rate of the overall population. The number of Nepalis working abroad almost tripled, to 2.2 million, in the two decades leading to 2021, according to government data. Roughly three-quarters of Nepali emigrants were between the ages of 15 and 34.

Agriculture remains the lifeblood of Nepal's economy, but in towns and cities, the internet has opened up new opportunities. Ride-hailing apps have helped cabdrivers find more customers. People have found digital marketing jobs. Local businesses are growing through their online presence.

But Roji Lama, who has a business degree from Tribhuvan University in Kathmandu, said Nepal doesn't have the infrastructure to support entrepreneurship. "For any country to develop, there has to be development of technology, transportation, food and water, facilities," said Mr. Lama, who works as a cabdriver and hopes to build his own business.

A Labor Mill

Nepal, with a population of about 30 million, provides a steady supply of unskilled labor to Gulf countries, but also to European ones like Portugal and Greece. Young Nepalis pack boxes in warehouses, chop vegetables in restaurant kitchens and drive trucks at construction sites.

Roughly one in four households in Nepal has a family member abroad, according to government data. For families, that often means a cruel trade-off between the grief of separation for years at a time and the need for money. The remittances sustain households, pay school fees and medical bills, and help to rebuild homes in a country prone to natural disasters like floods and earthquakes.

Image

A cafe in Kathmandu. Many young Nepalis say they are struggling with hopelessness and frustration.Credit...Uma Bista for The New York Times

"To save, or even live properly, someone from the family has to go out," said Tenzin Dolker, a college student in Kathmandu who studies computer science. "It's almost like an unsaid tradition."

Nearly two decades ago, when Ms. Dolker was 6 years old, her mother left Nepal to work as a caretaker in Israel. She stayed for 15 years, returning to visit just three times, Ms. Dolker said.

But "she earned money in Israel and built her house here," said Ms. Dolker. Her mother, who is now back for good, could never have saved that much working in Nepal, she said.

Recruiters offer two-year "free visa, free ticket" contracts that are popular despite onerous working conditions and the potential for exploitation. Mr. Tamang, the newly trained barista, said he had been told he would work eight hours a day in Dubai, but ended up working 16-hour shifts.

The "Nepo Kids"

With more than a million Instagram followers, Shrinkhala Khatiwada, a former Miss Nepal and a Harvard graduate, was an inspiration for many Nepali youngsters. She spoke eloquently — often about politics — and became a prominent voice of her generation.

Her accomplishments put Nepal "in the limelight," said Prijma Limbu, who lives in London but was visiting family in Kathmandu. She follows young Nepali influencers to keep up with trends in the country of her birth. "I was like, she's really nice — intelligent, smart, very inspiring to a lot of people," Ms. Limbu, 21, said.

Shrinkhala Khatiwada, a Harvard graduate and former Miss Nepal, was among the affluent young Nepalis derided as "nepo kids" before the protests.Credit...Atul Loke for The New York Times

But in the days leading up to the Gen Z protests, Ms. Khatiwada was targeted as a "nepo kid" for taking foreign vacations and endorsing luxury brands. She lost many of her Instagram followers. Ms. Khatiwada's father is a former health minister, and her husband's father owns Nepal's biggest media conglomerate.

Ms. Limbu said Ms. Khatiwada was a "disappointment" for not supporting the protesters. "Because people looked up to her so much, people were expecting that she would do something about it, post something about it, and she didn't," Ms. Limbu said. Homes belonging to relatives of Ms. Khatiwada were among those burned during the protests. Ms. Khatiwada said in an interview that she had wanted to promote the protesters' cause, but that she was shocked "at being painted as its enemy."

"My silence was not born of privilege or indifference; it came from trauma and shock," she said. Asked whether she had benefited from tainted money, she said, "I never gained from ill-gotten gains."

Some young people see the protests' impact as fleeting: a flash mob of anger, displayed by educated, middle-class people toward a small elite class. They say the demonstrations are unlikely to improve their everyday lives or make them want to stay in the country. If anything, they say, the disruption and uncertainty they caused have made things worse.

"For teenagers, it hasn't changed much," Ms. Dolker said. "Now they're like, 'I have to leave even sooner.'"

BHUTAN

Asia | Big dreams in a small place

30 - Bhutan prays it can be India's Hong Kong

The Himalayan kingdom seeks to reincarnate as a financial centre

Imaginary outlines Photograph: GMC

The Economist, Oct 17th 2024|Gelephu|

King Jigme of Bhutan recalls that when he was studying in America, his classmates would scoff in disbelief when he told them there were tigers and elephants in his Himalayan homeland. Like many foreigners, they thought of it as a place of snow-clad peaks and alpine meadows. Even those who had visited were unlikely to have strayed to the subtropical lowlands that border north-east India.

Now, 25 years later, King Jigme is on a fresh mission to enlighten the world about this southern sliver of his realm. And this time, it is not just about the wildlife. In December he unveiled plans for a new city there that would ultimately cover 1,000 sq km, making it bigger than Singapore. Powered mostly by hydro-energy, it is designed to house a million people, including digital nomads, Buddhist pilgrims, crypto entrepreneurs and wealthy expatriates. Bhutan's current population is 780,000.

King Jigme is not the only world leader with the city-building bug. Think of Saudi Arabia's Neom development or Indonesia's future capital, Nusantara. But Bhutan's project, Gelephu Mindfulness City (GMC), stands out in three ways that could help it to avoid the Ozymandian fate of many such grandiose schemes.

First, consider the geopolitics. Bhutan is land-locked between India and China. The struggle for influence across South Asia between these two countries has intensified lately with political upheavals in the Maldives, Nepal, Bangladesh and Sri Lanka. Bhutan has long been in India's camp. But in the past decade, it has expanded trade, tourism and other links with China, while edging towards resolving a border dispute. In 2023 it appeared close to a land swap, and possibly establishing diplomatic ties, with China.

India objected. It has hundreds of troops in Bhutan and fears that encroachment by China there could help Chinese forces, in a war, to sever India's access to its north-east. India has since pledged $1.2bn of development support for Bhutan in the next five years, double that of the previous five. Bhutan now accounts for 36% of Indian foreign aid, more than any other nation. India has also backed GMC. It is building road and rail links and discussing developing a new international airport there. It will provide much of the labour. And rich Indians seeking refuge from congested cities are among the prime targets for GMC's promise of luxury homes and low taxes.

Indian firms could play an important role. On October 2nd the Reliance Group announced plans to invest $700m in two power projects, one in GMC and one nearby. Adani Group, another Indian giant, has also expressed interest. Because of India's proximity and friendly ties, the "threshold for allowing Indian contractors would be much lower," says Lotay Tshering, GMC's governor. He says there have been no talks with China about its involvement in the city, which will supposedly rely on private investment. But, he adds, there should be no "exclusion criteria".

The second feature of GMC is its possible draw for the artificial intelligence and crypto industries. Bhutan has 2.5GW of installed hydropower but potential for over 30GW. GMC's managers say they are talking with big data-centre investors who are scouting for sites with renewable energy sources. One obstacle could be American export controls on AI-related technology. Tshering Tobgay, the prime minister, is confident he can satisfy American regulators and convince India to allow its data to be stored in Bhutan too.

An additional lure for tech investors is progressive regulation. GMC will be a "special administrative region", allowing more autonomy than a typical "special economic zone". Laws will be based on Singapore's and financial regulation on Abu Dhabi's. Investors will be able to shape regulation too, especially in sectors such as AI, biotech and crypto. Fanciful as that might seem, Bhutan is already a bitcoin pioneer, with six operational mines. In September its bitcoin holdings were valued at $750m, the world's fourth-highest.

The secrecy of that venture worries some Bhutanese. Foreign officials also fret that Bhutan could attract money from illicit sources or nations facing Western sanctions. Bhutan says it will carefully screen all investors. But how exactly is unclear, given its limited resources and ill-defined diplomatic outlook (it has no official relations with the five permanent members of the UN Security Council).

The project's third unique trait is the existential crisis behind it. Bhutan has achieved remarkable success since introducing Gross National Happiness as a development measure in the 1970s. In December it graduated from the UN list of "least developed countries". Its youth literacy rate is above 97%. Since 2015, however, more than 6% of its residents have emigrated, many of them to Australia. King Jigme hopes that GMC will tempt them back while teaching other Bhutanese to compete at home with foreign talent. And if the project succeeds, he plans to introduce similar policies across the country.

GMC's promoters talk a lot about "mindfulness", touting it as a place of spiritual retreats and harmony with nature. At its core, though, the idea is much harder-edged: it is designed to be a financial centre offering a gateway to India, much as Singapore and Hong Kong do for China. It is a long shot. But as King Jigme told recent visitors, it may be the only hope for his nation's future. ■