

Across entrepreneurs and venture capitalists whose risk- loving

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Across the world, countries, including the developing world, look to emulate the success of the US economy. In doing so, it is necessary to look at the power of market driven mechanisms that have been carried out by the Private Sector.

The Internet, Silicon Valley, Bio-Technology, and even Shale gas findings are a result of innovation led growth, propelled by the private sector, which has organised investments in such a manner that they are both flexible and mission oriented. The lumbering, heavy handed work of bureaucratic departments lies far behind the entrepreneurs and venture capitalists whose risk-loving nature has led to pioneering development in all fields. The role of a government is to facilitate and manage administration, providing clear rules and levelling the playing field for the public. Here, the larger the part of a State, the more wealth it extracts from the free markets, using it for distributive schemes that create further inequalities. To make a commodity cheaper and better, two elements are necessary: profit incentive and freedom of labour.

A big government destroys both of these elements in any industry. The idea behind big governments seems to be that unless you declare healthcare, employment, and education a ‘right’ rather than a commodity, you are short-sighted — that as Marx might put it, necessity, rather than autonomy, creates rights. Our need to treat these commodities as rights, the provisions of which should be funded by large governments leads to shortages, ensuring that the public will not get everything they wish to have. It requires a top-down approach that violates individual liberties, generates

overdemand, and quashes supply. It gives our governments rationing powers, using compulsion to force individuals to provide for subpar facilities for all, whilst confiscating mass sums of wealth to pay for it. It gives our policy makers the unquestionable power to make decisions for us, reducing our say in matters that are not only personal but also require the need for a 'choice'.

When we choose to increase the size of our State, we are not only crowding out the Private Sector, but also allowing ourselves to settle for the inefficient version of our needs. In order to create and shape the future, the Private Sector must be armed with the intelligence necessary to envision and enact plans for the future, using their expertise for long term innovation and collaboration with the State. It is only when we cut government spending that we can spur this private investment. As an 'Economist' column (2012) read, " Governments have always been lousy at picking winners, and they are likely to become more so as, legions of entrepreneurs and tinkerers swap designs online, turn them into products at home and market them globally from a garage, As the revolution rages, governments should stick to the basics ..

. and leave the rest to revolutionaries." This is a common-sense truth as it provides the perfect contrast between the sluggish nature of governments versus the dynamic nature of the Private Sector. It is this sector alone that will allow us to take the leap of uncertainty, fostering the right conditions for new ideas to prosper, and creating a freer market.

In the Eurozone, countries like Portugal, Greece and Italy owe their suffering to a profligate public sector characterised by its stagnant nature, being unable to make any strategic investments. The money collected from taxpayers enters a sinkhole of paperwork and kickbacks rather than top-quality education or ground-breaking research in healthcare. There is an alarming lack of expertise that exists within the government and to repeat the mistakes of the past, placing our trust in an ever expanding and unaccountable system, while expecting different results each time is a behaviour best suited for the insane. The Private Sector spends 4.

2% of GDP on Health Care in India, as compared to the meagre 0.9% spending of the Public Sector. Medical Tourism is a billion-dollar industry here, drawing in an increasing number of patients who choose to leave their nationalised health care systems which not only costs more, but are also subject to wait-listing, in favour of the cheaper and more prompt attention offered by private Indian hospitals. Indians too are choosing the private sector in overwhelming numbers, because the public alternative is so much worse, with interminable waits in dirty surrounding, lack of medicines and tests, and over-worked doctors who have to see more than 100 patients in a single session. It is no wonder that 30% of patients in government hospitals claim to pay bribes to jump queues for treatment, for appointments with senior doctors, and to get clean bed sheets and better food in government run hospitals. Investment in human capital should be a critical part of India's strategy for development. Evidence suggests that it is not mere completion

of given levels of schooling, but rather what is learnt at school that matters to both individual earnings and to national economic growth.

If private and public schools differ in terms of their effectiveness in imparting learning, then the choice has implications for a person's entire life-time, making it a considerably significant issue. As numerous studies have proven, despite our government's well-placed intentions, the goal of achieving a cent percent literate India is better suited in the hands of the Private Sector. It has been consistently recorded that private schools in India are, on average, more efficient than government schools.

They are more cost-efficient, technically advanced, producing higher achievement and make more efficient use of inputs, having more students per class and lower teacher absenteeism. As for the age of automation, the intelligent technologies are penetrating just as quickly into the service industry as they are in the factories be it banking, financing, wholesale or retail trade. You can go to the grocery store and as soon as you take the products off the shelf, they're automatically accounted for and you can check out without a cashier.

Where are the telephone operators or librarians or bank tellers, the middle managers, the secretaries? The traditional jobs are all going. This is a fact that our politicians are clearly ill-equipped to discuss, as they stall off the inevitable with their hyperbolic rhetoric. The solution to the disappearing need for mass labour is not making statements like, " Driverless cars should not be allowed", but to create new ideas, new types of jobs: analysts,

consultants, programmers, educators to absorb our workforce. In the past decade, most major multinational corporations have rushed to develop new codes of conduct that involve active participation with non-profits for new social and environmental programmes. The existence of such initiative has challenged governments to develop new institutional incentives for the private sector to expand these activities. The big era of big government is dead, as the private sector exerts its competence in every arena. The success of ventures like the recently constructed Hyderabad Metro, was not achieved by crooked politicians siphoning tax-payer money, consuming crores, and delaying completion but by the efficient Private sector. The need of the hour is to bridge the chasm that divides the needs of the masses and the resources of the Private Sector.

This requires a consistent, wholistic approach rather than selective knee-jerk investments by single-term con artists vying for our vote. The education sector needs to be revamped at all levels, from kindergarten to higher education. The knowledge inculcated by our youth then has to merge with the demand for jobs.

This requires years of well-funded research and analysis for the requirement of types of jobs and the skills in demand, welding one type to support the other. For this empowered and educated youth to succeed, we then need to achieve an optimum level of health, aiding in increasing the dimensions and dynamism of the youth bulge. The Venn diagram of these three key components are bound to intersect and the common, shaded portion has to be worked upon tirelessly. This level of innovation and progressive result, not

clouded by popular opinion or vote bank politics for short-term gains is only possible if we give our Private Sector just a fraction of the seventy years we have given our enlarging government and its inertia in all matters concerning the pressing issues of our developing nation. If India is to shed its image as a lumbering elephant and change the game in 2020, it cannot rely on the Public Sector for support.

It is the Private Sector that remains an expression of individual autonomy, as it prizes individual liberties, reduces demand and heightens supply through profit incentive. India should want, she should hope and she should lead the future as a majestic, leaping tiger. The dignity of our people should be respected, their needs identified and acted upon immediately.

As India leaves her footprint in the global arena, as she captivates the world, as she moves to dominate the future, let her people not strain at the leash of a nanny state, but be ready to roar and to obtain all that they need. The paradox being proposed, is in fact a clear statement; a statement that realises the necessity of an alternative, an efficient alternative like the Private Sector to meet the needs of an ever-growing India and developing countries all around the world.