



The Power of Entrepreneurship

Indians across the board have embraced entrepreneurship, with enthusiasm and spirit. The proliferation of startups, within the country, means that India has emerged as the world's third largest startup ecosystem. She is increasingly becoming an entrepreneurship-driven economy that looks towards innovation, as the path to the future.

Entrepreneurship in India

Indians abroad have already proven themselves in the number of startups they have helmed, not just in Silicon Valley, but also in London, Hong Kong and parts of East Africa. Their successes should inspire Indians at home to do the same. India's demographic dividend will work in its favour, only if we can educate and train youngsters, thus enabling them to seize the opportunity.

Utilising India's Demographic Dividend

The opening up of the Indian economy gave us the growth and diversity that allowed us to weather the storms that confronted the global economy, after the crisis of 2008 onwards and also enabled us to overtake Japan, to become the third largest economy in the world, in purchasing power parity (in PPP terms).

Yet, the best is yet to come, since age is on our side. We are the youngest major economy, in the world, at a time when many of our potential Asian competitors – China, Japan and South Korea – are facing a serious demographic squeeze and the rest of the world is aging. But, this demographic dividend will only work in our favour, if we can educate and train our young people to seize the opportunities available to them, in the 21st century – opportunities that entrepreneurs are creating.

Jugaad Vs Innovation

Our Indian practice of '*jugaad*' has received a lot of attention as a way of thinking out of the box, re-purposing familiar items, to find solutions within resource constraints. Critics, however, say that while it reflects Indian ingenuity, it too often involves cutting corners, to get past the system and "making do" rather than creating excellence.

But, the spirit of *jugaad* goes well beyond that: in Google type the phrase 'frugal innovation' and the first twenty hits will all relate to Indian inventions. As an example, there's the GE MAC 400, a handheld electrocardiogram (ECG) device that costs Rs. 50,000 (the cheapest alternative costs more than Rs. 1 lakh), reducing the cost of a cardiogram to Rs. 50 and the *Tata Swachh*, a Rs 1,500 water purifier (ten times cheaper than its nearest competitor).

Entrepreneurial Wonders

Indian entrepreneurial ingenuity has produced a startling number of world-beating innovations, none more impressive than the Tata Nano, which costs roughly the same as a high-end DVD player in a Western luxury car. Of course, there's no DVD player in the Nano (and no radio, either, in the basic model); however, innovations in it (which have garnered 34 patents) are not merely the result of doing away with frills (including power brakes, air conditioning and side-view mirrors). Reducing the use of steel, by inventing an aluminum engine; increasing space, by moving wheels to the edge of the chassis have in fact proven conclusively that you could do more with less.

Conclusion

So it can be done and Indians can do it. Whether we grow at 9 percent, as we once did, or at 5.7 percent, as we do now, we cannot forget that the focus of our development must be on the bottom 25 percent of our population. Our problems are the same; those that have always been. The challenge for us is to use entrepreneurship to find new answers to old questions.

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