



OLD INDIA
A slum on the western side of Delhi, where extreme poverty persists

A TALE OF TWO INDIAS

The world's biggest democracy has a booming economy. But many Indians are still struggling to escape poverty. **BY PATRICIA SMITH**

DOWN AN ALLEYWAY littered with trash is Sushmita's two-room apartment. The 14-year-old lives there with four other family members in Delhi. That is one of India's largest cities (*see map*).

They are part of the wave of Indians who have moved from villages to big cities in search of better lives. Yet Sushmita's family struggles to make ends meet. Sometimes there is no electricity. The apartment has one bed. Sushmita's parents and sister sleep on the floor.

Twelve miles away on the eastern side of the city, Anirudh Joshi, also 14, lives in another world. His neighborhood is known for its parks. His family's apartment boasts both an air conditioner and a flat-screen TV. Anirudh even has his own smartphone.

"I have everything provided for me," he says.

Anirudh and Sushmita reflect the two sides of India today. On one hand, India's economy has boomed



in the past quarter century. It has lifted hundreds of millions of people out of poverty. Last year, economists predicted that India's economy would be the fifth-largest in the world by the end of 2018.

On the other hand, millions of people are stuck in the old India. The old India is very poor and uneducated. About 20 percent of the population still lives on less than \$2 a day.

"India has come a long, long way when it comes to its economy,"



NEW INDIA
The offices of tech giant Infosys in Bangalore, one of India's fastest-growing cities

says Anubhav Gupta of the Asia Society in New York. "But it still has a long way to go."

Progress and Problems

Modern India was born in 1947. That is when it gained independence from its colonial ruler, Great Britain. (The British divided the country into Hindu-majority India and the Muslim country of Pakistan.)

For decades after independence, India's economy was heavily controlled by its **socialist** government. The nation made little progress in tackling poverty.

But in 1991, the government began turning away from socialism. It started loosening economic regulations and opening India to foreign investment. The economy took off. Since then, India's middle class has more than doubled in size.

With 1.3 billion people, India has the world's second-largest population (after China). It is the world's largest democracy. It is now seen as a rising global power that

the United States will have to compete with in the decades ahead.

Despite such gains, large parts of the population have been left behind. About half of Indians in rural villages lack toilets. About 25 percent of Indians cannot read.

India's progress is also hampered by its caste system. That is a traditional social **hierarchy** that dates back to the ancient origins of Hinduism. Hinduism is the country's majority religion (*see box, "How the Caste System Works"*).



"There are no equal opportunities."

-Sushmita, 14

The Power of Youth

One of India's great strengths, however, is that about half of its population is younger than 25. Experts predict that by 2020, India will account for 12 percent of the world's college graduates.

Aided by these young workers, India's economy is expected to grow quickly. That makes young people like Anirudh feel optimistic.

For inspiration, he looks to his own family. His family has moved up the economic ladder in just one generation. Anirudh's father is the son of farmers. He grew up in a village of 100 people. As a child, he walked two miles to school and did farm chores when he arrived home.

He got ahead by studying hard. He eventually went to college to become an accountant. Having a reliable profession enabled him to move his family to a nice area and send his children to a private school where classes are taught in English. That is a huge advantage in India. Most business is conducted in English there, and speaking it →

fluently gives any young person a leg up.

Big Ambitions

The family is able to afford a few extravagances. One example is the hired car that takes Anirudh to school. Some of those luxuries are helping Anirudh succeed. For instance, he uses his smartphone to watch physics tutorials on YouTube.

Anirudh hopes to become an accountant like his father. That is

partly because math is his favorite subject. He also sees the career as a surefire way to prosper.

“I want to [be] somebody who is well respected,” he says. “I want to earn good money. I want to do good for others.”

Left Behind?

On the other side of the city, Sushmita lives a very different life. She wakes at 6 a.m. to clean the house. Then she walks to the



“I have everything provided for me.”
-Anirudh, 14

Mapping India At 1.2 million square miles, India is about one-third the size of the U.S.



Map Skills

1. What is India’s capital city?
2. About how many miles separate that city from Agra, home of the world-famous Taj Mahal?
3. What is the latitude and longitude of Chennai?
4. What kind of terrain lies less than 100 miles north of Ahmedabad?
5. The Ganges empties into which body of water?
6. What city sits at the mouth of the Ganges?
7. How many countries border India?
8. What is the name of the disputed territory claimed by both India and Pakistan?
9. Name India’s two southern mountain ranges.
10. What city is located at 13°N, 78°E?

government school she attends. There are 57 students in her class. Classes are in Hindi, one of India's many languages. She does not own a cell phone, much less a computer.

Sushmita's father is a carpenter. He can go months between jobs. Her mother works long hours as a maid. When Sushmita gets home from school, she must make the family's dinner and do her homework.

She dreams of being a teacher but faces tough odds. Many Indian colleges are very selective. Sushmita will be competing against better-prepared students.

"India is a country where there are no equal opportunities," she says. "The rich can find their way around by paying money. Others cannot find their way into the same opportunities because they don't have money."

Small Steps Forward

Still, Sushmita knows she has it easier than her parents did when they were growing up.

"They were pushed into working from a very early age," Sushmita says. She feels lucky her parents plan to let her finish school.

Steps like that make India expert Anubhav Gupta feel hopeful about where the country is headed.

"The problems it faces seem vast, but so are its ambitions," he says. "I'm optimistic because India has a very hungry and forward-looking population, and they're going to keep pressing the government for progress." ♦

Additional reporting by Kai Schultz

CORE QUESTION Why might India's caste system slow the country's progress?



People protest caste inequality in Bangalore.

How the Caste System Works

Here are the basics of India's 3,000-year-old class structure.

What is the caste system?

The caste system is a class structure that divides Hindus into five main groups, based on a family's traditional occupation. (See box at right for the castes and their traditional roles.) At the top are Brahmins and at the bottom are Dalits, the so-called "untouchables."

THE MAJOR CASTE GROUPS

1. **Brahmins** Priests and teachers
2. **Kshatriyas** Soldiers and administrators
3. **Vaishyas** Farmers, traders, merchants, and craftspeople
4. **Shudras** Manual laborers
5. **Dalits** "Untouchables"

How did Dalits come to be known as "untouchables"?

Because of their low status, Dalits traditionally did the dirtiest jobs, such as cleaning toilets. They were called "untouchable" because they were considered impure and higher-caste Indians were forbidden to touch them.

What does India's government say about castes?

India's constitution outlawed caste discrimination in 1950, and its parliament later set minimum **quotas** for members of lower castes in schools, state-owned firms, and government ministries.

How has the caste system changed?

As more Indians move to cities, the strict rules of the caste system have begun to break down. Some lower-caste Indians have moved up the economic ladder. Plus, a Dalit politician was recently elected India's president—a major achievement even though the position is largely ceremonial.

So is the caste system no longer an issue in India?

Not quite. Caste discrimination persists, especially in rural areas. "Life for low-caste people has dramatically improved, but . . . caste remains a social differentiator," says Alyssa Ayres, an India expert at the U.S.-based Council on Foreign Relations.