

# The 10 countenances of the elephant

Gentleness, patience and great strength. India is all of that, writes **Stephen Manallack**.

WITH India doing a nuclear deal with the US and taking a front seat in global forums, it is important that Australia understand this emerging superpower — especially as pressure mounts for India to join the 21-member APEC group and as India becomes one of our major trading partners.

Many of our business leaders have already been surprised and challenged by the negotiating skills and management performance of their Indian counterparts, most of whom learnt their craft in tight-capital and low-margin markets, a combination few in the West have experienced. Whether in business or politics (or international cricket), India is no pushover. To relate and negotiate, we need to factor in 10 realities about modern India, areas chock full of myth.

First, Indian entrepreneurs are now recognised around the world and there is a national expectation that the next Bill Gates will be Indian. Global successes are celebrated, as Lakshmi Mittal and Ratan Tata have found as their conglomerates become global steel leaders. There is much more to come on this front, with growing reserves of corporate capital finding a home overseas and more Western business icons falling to Indian ownership.

This entrepreneurial spirit permeates the nation and sits comfortably with the contradiction of socialist leanings. Nowhere is the spirit of small enterprise so active as in the communist-run state of Kerala — but the locals point out this contradiction is just "India".

Second, Indian leaders may live urban and increasingly Western lifestyles, but they do not forget the small towns and villages at the centre of rural life — and it's not just the politicians with an eye for votes, with major corporates such as Infosys pouring resources and funding into village developments. Somewhere at the back of the mind of most Indian delegations will be the nagging

question: "What does this mean for rural communities?"

Third, India is a land of great cultural and linguistic diversity and countless opinions, but two things unite the nation — cricket and the World Trade Organisation. Indians become instantly passionate when challenged on their high tariffs, pointing to European and US agricultural subsidies as well as restrictions on the flow of capital and people out of India. This passion was seen at the WTO in Germany last month, when Indian delegates walked out, and will be seen again at countless forums around the globe. The message is, point the finger at India and you can expect a robust response.

Fourth, Indians have oceans of patience, which can drive Westerners crazy, but it gives them a special strength in nego-

tiations. This patience is derived from deeply held spiritual views such as impermanence — Indians are constantly reminded of the impermanence of this life, everything changes, and they can wait when often we cannot.

Fifth, do not believe that the Indian economic miracle is just driven by call centres and IT. Important as these are, look also at energy, retail, manufacturing, pharmaceuticals and even agriculture (did you know India is the second-largest wheat producer?).

This economy is more driven by domestic demand than, for example, is China's, so deriving its long-term strength. Already the IT industry is changing in India, as much of the "grunt" work is actually outsourced to South-East Asia while Indian companies take a firmer grip on high-value knowledge work.

Sixth, the dragon (China) and the elephant (India) have discovered that they can dance, and soon China will become India's major trading partner. Competitors are becoming collaborators and politicians are pushing this hard, as decades of acrimony and mistrust begin to diminish.

So, Western business and political leaders need to be aware that the Indians coming to global negotiating tables and forums like the nuclear club and APEC will be leaders who confidently see that this century belongs to the East.

Seventh, while India feels great about the success of "Asia", in many ways it does not feel particularly "Asian". Indians feel Indian. To them, that is more relevant than being geographically part of Asia.

Eighth, whether dealing with the young or the old, in India

never forget the "Father of the Nation", Mahatma Gandhi. So when Gandhi said there was enough in the world for everyone's need but not everyone's greed, your Indian counterpart will have this in mind.

When he scorned Western civilisation (on being asked what he thought of Western civilisation he said it would be "a good idea") this might account for the smile on the other side of the table, for Indians do not necessarily see Western leaders as representing a wonderful society.

Ninth, partly because of Gandhi, while the importance of "freedom" justifies actions in the US and other parts of the West, your Indian counterparts will be preoccupied with "freedom and equity", seeing little value in giving people the vote but no fair share of the

food, and so on. Indian leadership needs more than the rallying cry of "democracy" to make it enthused.

Tenth, while many in the West see India as a "developing" country and may underestimate its desire to make an impact, the position it has taken at the WTO and other global forums is a sign that India has no intention of being a bit player in the world. Invite India in and you can expect them to want to be at the head of the table, making the running.

India will be a great power. Inviting India into APEC makes a lot of sense, so long as the members, including Australia, realise that this truly means an elephant will be in the room.

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