

How Biotechnology Can Help in Inclusive Development

The government needs to support the fledgling sector with forward-looking policies that will unleash investment in biotech and lead to affordable healthcare for all, more jobs and better-skilled workforce



KIRAN MAZUMDAR SHAW

PREAMBLE

Ensuring inclusive growth for all Indians requires the adoption of an innovative, metrics-driven approach in areas such as agricultural productivity, healthcare, education, clean energy, science and technology and tribal upliftment. Instead of taking hesitant steps in the direction of inclusive growth, the government — in partnership with all stakeholders — needs to take meaningful action.

It must work ceaselessly, undeterred by any other compulsion. It must create an enabling regulatory environment for biotechnology to ensure innovation that boosts agricultural productivity and pays dividends in affordable, novel therapies. Moreover, the government must concentrate on expanding and augmenting the healthcare system and providing basic health insurance to all.

The only way to bridge the chasm in India's growth path is by making inclusive growth our guiding principle for development. As the country's growth gathers pace, we must deploy innovative solutions to ensure that the *aam aadmi* has unconditional access to nutritious food, quality education, affordable healthcare and sustainable employment. Individual and national development can move forward only on these four wheels. India, however, has been dragging itself along on flat tyres for far too long, keeping Indians from fulfilling their potential and the country from holistic economic and social advancement. While I commend the government for making certain admirable decisions as part of its inclusive growth agenda, I have reservations regarding its approach and would like to raise a few pertinent questions.

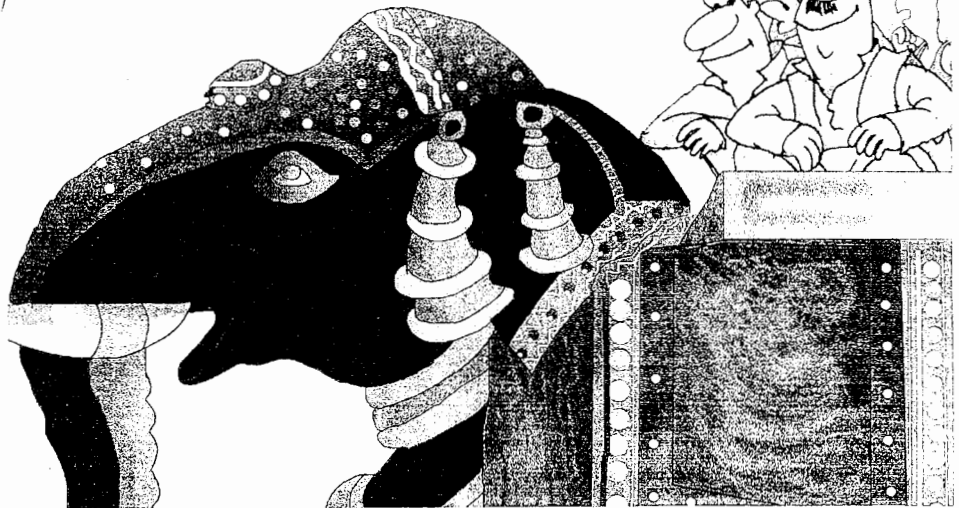
For all its statements on the centrality of inclusive growth in policy-making and its efforts to realise basic necessities for the *aam aadmi*, I believe the government is wanting in conviction, determination and imagination. Why else is the government taking ad-hoc decisions, moving two steps forward and one step back — and sometimes not advancing at all? Why is it that when Budgets and policies are announced, they do not go as far as they need to for ensuring inclusive growth? While allocation for the social sector was increased in this Budget, the quantum of the hike in some areas was insignificant. Healthcare was barely addressed. Why are we moving so slowly in vital areas that decide life and death, determine progress and poverty, and define the human condition?

There seems to be a lot of thought and talk in decision-making bodies but not enough action. We cogitate and collaborate but do not execute on our decisions. Worse, our decisions fall way short of what is required for inclusive growth. We talk about funding inclusive growth, but the funds are not created. When we do create funds, we do not have the framework to allocate and distribute funds, and, most importantly, we are unable to ensure transparency in execution and make sure that people are accountable for the funds they access. Unless we start taking concrete steps instead of just talking, our idea of inclusive growth is, at best, a myth. At its worst, it is hypocrisy.

PROPOSED PATH AHEAD

One of the key areas that need to be...

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formulate innovative policies that focus on helping our people emerge from an existence of perpetual disadvantage. A decent quality of life requires:

- ▶ Food security, not food handouts.
- ▶ Good education, not broken-down schools with no teachers.
- ▶ Affordable and accessible healthcare, not barely functioning primary health centres.
- ▶ Meaningful jobs, and not seasonal and short-term employment opportunities that produce nothing.

To ensure this, we need to adopt a focused, metrics-driven approach, offering self-empowerment opportunities to the disadvantaged so that they can participate in growth and partake in its dividends, lifting themselves out of poverty.

This inclusive economic development strategy must be based on carefully-calibrated metrics in areas such as agricultural productivity, healthcare, education, clean energy, technology and tribal uplift. Let me place what I have stated in the context of biotechnology and healthcare.

BIOTECHNOLOGY & ECONOMIC DEVELOPMENT

In biotechnology, the country has a vibrant industry that will not only spur economic growth but also alleviate suffering and overcome grave threats to our future — from reducing pollution to providing cures for diseases and boosting agricultural productivity. Innovation is the engine of its growth.

IMPEDIMENTS TO INNOVATION

Even as we talk about the importance of innovation for clean energy, energy independence, novel medicines and food security, the government's regulations are throttling innovation. Companies invest millions of dollars in high-end innovation in biotechnology. Instead of providing a regulatory impetus, the government puts in place regulatory roadblocks. Thus, a government suddenly decides Bt Brinjal is not acceptable. Or it delays or even disallows clinical trials, negating our competitive advantage in global R&D. The result? Not only are the time, effort and money invested lost, but future innovation is grounded and with it the hope of a more for

when there is every chance that their investment will come to naught owing to regulatory obstacles? Instead of adhering to a clearly-articulated regulatory policy that can help strengthen the pillars of inclusive growth by providing food security or cheaper drugs, the government takes ad-hoc decisions buckling under political and external compulsions. The only compulsion that must guide us is inclusive growth.

ENABLERS

Why cannot the government incentivise R&D in biotechnology by providing a five-year tax holiday on products developed indigenously, tax breaks for venture funding, zero duty on R&D equipment, and a longer sunset date for biotech SEZs? Bric economies such as Brazil and China are investing heavily in

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economies such as Brazil and China are investing heavily in biotech, both agricultural and biopharma

WRONG SIGNALS

Nowhere is the idea of innovation for inclusive growth more important than in healthcare. The committee agrees that affordable healthcare and innovation to ensure the same is critical for the *aam aadmi*.

Despite this, Budget 2011 has let down the healthcare sector, which has not seen anything concrete beyond the increase in allocation and the extension of health insurance to NREGA workers. Instead of taking important measures such as extending health insurance to all and augmenting the healthcare infrastructure and expanding an integrated healthcare system to ensure affordable and accessible healthcare, the government opts to bring services in air-conditioned hospitals into the tax net.

While the proposal has been rolled back ow

vement in her life. The government must bear in mind that air-conditioning in hospitals is a necessity and not a luxury. It is required for a functioning operation theatre, it is needed for quality diagnostics. By its decision, the government seems to be condemning the *aam aadmi* to go to a hospital with substandard infrastructure. Instead the government can focus on creating a health insurance policy that can help the *aam aadmi* afford a good quality private hospital — one that is air-conditioned.

BIOTECH SECTOR 2 JOBS

The healthcare sector can be one of the largest job creators: a healthcare set up requires not only doctors and nurses but also paramedics, technicians, healthcare workers and providers of ancillary services. All these are sustainable jobs, which are essential for individual and societal progress. Agriculture is the very core of our economy. Agricultural productivity through technological interventions is key to development. The proposed agri-parks can be set up in tribal areas, for these too will create sustainable jobs across a wide spectrum of skills and locations, giving the tribals a chance to upgrade their skills.

SKILLS

Upgradation of skills needs to be one of the focal points of our educational system. Even as we boost primary education, we must foster a culture of innovation in our higher education. Despite the presence of quality research institutions, we still do not have a substantial pool of well-trained manpower to realise the scientific potential. It is important to fill this gap in skills. A systematic exchange of knowledge between academics and industry can help.

CONCLUSION

We all agree that inclusive growth for the *aam aadmi* is the end-goal of all our policies and decisions. To make the promise of inclusive growth a reality, we must adopt a metrics-driven approach and not be deterred by any compulsion, political or otherwise. The solution lies in political will and robust leadership at all levels of the government. Real

Industry