

# Living standards to see steepest rise in coming decades: FM

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The upcoming decades will see the steepest rise in living standards for the common man, making it a period-defining era for an Indian to live in, Finance Minister Nirmala Sitharaman said on Friday.

Addressing the third edition of the Kautilya Economic Conclave, the minister said the youth, rise in consumption, and innovation are the forces that will shape the Indian era.

In her inaugural address, the FM said the effects of the past decade of economic and structural reforms would manifest more thoroughly in the coming years, as the Covid shock fades from the economy.

“It took us 75 years to reach a per capita income of \$2,730. According to International Monetary Fund (IMF) projections, it will take only five years to add another \$2,000.”

Taking note of the summit’s theme ‘The Indian Era’, Sitharaman said consumption would organically increase over the coming decade as 43 per cent of Indians who are below 24 years of age are yet to explore their consumption behaviour fully and ensuring the youth are cognitively equipped, emotionally strong, and physically fit is a core policy priority.

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Simultaneously, Sitharaman counted

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NIRMALA SITHARAMAN  
UNION FINANCE MINISTER,  
SPEAKING AT THE THIRD EDITION OF  
KAUTILYA ECONOMIC CONCLAVE

India’s rising middle class as a driving force that will pave the way for strong consumption, inflow of foreign investment, and a vibrant marketplace. The country’s

innovation ability will also mature and improve over the coming decades, she said.

Praising India’s financial systems, the

PHOTO:PTI



FM said the financial market has evolved into a competent system where crisis management, regulatory, and governance standards are on par with those of the developed markets.

She noted that the global geopolitical re-positioning could act as a structural force to India’s advantage by creating robust supply chains with countries of strategic congruence. “India benefits from the new international order, which is reshaping better to reflect the power distribution of today’s world,” she said.

India’s economic rise in the coming decades will be unique since the global backdrop is no longer the same. India seeks to double its per capita income in a matter of years for its 1.4 billion population (which makes up 18 per cent

of the global total) in a fragmented and fractured world where several persistent conflicts may worsen, posing a threat to global peace, which is the bedrock of prosperity.

“In the early 2000s, emerging markets like China grew relatively more easily due to a favourable global trade and investment climate. This poses a potential challenge and an opportunity for India,” the FM said.

By 2047, as India crosses 100 years of independence, she said, the new Indian era would have core characteristics similar to developed countries. “Viksit Bharat will usher prosperity not just to Indians but to the rest of the world by becoming central to a vibrant exchange of ideas, technology, and culture,” she said.