

Reinterpreting Fire in India: Between Individual Wealth Goals and Collective Economic Transformation

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Abstract

The Financial Independence, Retire Early (FIRE) movement—once a Western niche of self-help capitalism—has found new resonance in India’s rapidly transforming financial landscape. This paper explores how FIRE’s behavioural ethos of disciplined saving, early investing, and frugality aligns with India’s developmental ambition of Viksit Bharat 2047. Drawing on Taylor and Davies’ (2021) theory of the financialization of anti-capitalism, the study interprets FIRE not merely as an individual aspiration but as a socio-economic behaviour emerging within India’s digital inclusion revolution. Using empirical data from national financial inclusion initiatives (PMJDY, UPI, NPS, NEP 2020, and Skill India) and theoretical insights on moral economies, rentier subjectivity, and assetization, the paper examines whether FIRE-like thinking can foster a more financially independent citizenry and complement India’s long-term policy goals. While the FIRE mindset offers a behavioural bridge between individual financial discipline and macroeconomic stability, it also risks reproducing inequalities if adopted without inclusive literacy and institutional support. The article thus situates FIRE at the intersection of behavioural finance, social transformation, and developmental statecraft, proposing that the movement’s underlying philosophy—rather than its exclusivist lifestyle—can inform India’s transition from financial inclusion to financial independence.

Keywords: FIRE, financialization, frugality, India, Viksit Bharat 2047, digital inclusion, financial literacy, assetization

1. Introduction

The idea of financial independence—the capacity to sustain one’s livelihood through accumulated savings and investments rather than continuous wage labour—has acquired growing cultural traction in India. The FIRE (Financial Independence, Retire Early) movement, which emerged in the United States in the late 1990s and matured in the post-2008 financial crisis period, is now increasingly discussed among India’s urban professionals and digital investors. FIRE’s core principles—radical saving, minimal consumption,

and passive investment—are not merely financial techniques but moral orientations toward autonomy, time, and value (Taylor & Davies, 2021). India’s own financial ecosystem has evolved dramatically in the past decade. Over 51.6 crore bank accounts have been opened under the Pradhan Mantri Jan Dhan Yojana (PMJDY); digital identity through Aadhaar now covers nearly the entire population; and Unified Payments Interface (UPI) transactions surpassed ₹139 lakh crore in FY 2024 (NPCI, 2024). Simultaneously, the number of demat accounts quadrupled between 2019 and 2024, reflecting a shift from savings-based banking to investment-oriented participation (SEBI, 2024). These transformations suggest that the behavioural infrastructure required for FIRE—formal inclusion, digital finance, and investment access—already exists within India’s policy landscape.

Yet, the Indian context complicates FIRE’s assumptions. In the original Western discourse, FIRE emerged as a reaction to consumer capitalism and corporate labour exhaustion (Taylor & Davies, 2021). It was both a critique of overconsumption and a paradoxical embrace of financialization: individuals sought liberation from work through frugality and investment in capital markets. Taylor and Davies describe this as “the financialization of anti-capitalism”—a moral economy where freedom is pursued through financial calculation and the disciplined management of consumption. In India, however, the challenge is not consumer excess but the persistent struggle for savings capacity among lower- and middle-income households, rising household indebtedness (RBI, 2023), and uneven financial literacy (S&P Global, 2024). Consequently, while FIRE’s ideals resonate with aspirational urban classes, its universal adoption requires structural adaptation to India’s socio-economic realities.

The Indian state’s vision of *Viksit Bharat 2047*—transforming the country into a developed nation by the centenary of independence—rests on three interlinked economic pillars: productivity-led growth, capital formation, and financial empowerment. These are not merely macroeconomic targets but behavioural imperatives. The transition from inclusion to independence requires citizens to move from access to agency: from opening bank accounts to deploying them strategically for long-term savings, investments, and retirement security. In this sense, the behavioural philosophy of FIRE—save more, invest early, and build self-reliance—aligns with the state’s macroeconomic narrative. However, this convergence invites theoretical reflection. Can a movement rooted in Western individualism, self-discipline, and anti-consumerist ethos translate meaningfully into India’s collectivist, heterogeneous, and often informal economy? Taylor and Davies’ (2021) analysis provides a lens for this inquiry. They argue that FIRE constitutes a “moral order of worth” that fuses capitalist rationality with anti-materialist ethics: individuals become rentiers not through exploitation but through withdrawal and restraint. FIRE’s paradox is that it resists capitalism’s work-consumption cycle while depending on the financialized markets that capitalism sustains. When transposed to India, this paradox becomes an opportunity for state-guided behavioural transformation—using financialization not to entrench inequality but to cultivate prudence and independence.

The past decade of reforms—PMJDY, NEP 2020, NPS expansion, and Skill India—reflects a growing policy recognition that economic modernity must be both inclusive and behavioural. Financial literacy, digital access, and savings incentives are instruments of what might be termed citizen financialization: the democratization of investment capacity across classes. The rise of retail investors, the SIP revolution (₹20,000 crore monthly inflows; AMFI, 2024), and the proliferation of online brokerages indicate that

financial behaviour in India is becoming more FIRE-like even without adopting its ideological language. Yet, FIRE's moral and cultural underpinnings—self-audit, frugality, autonomy over time—remain nascent in Indian financial culture, which continues to be shaped by social obligations such as property purchase, family support, and children's education. The challenge, therefore, is not only institutional but ethical: fostering a mindset where financial independence complements, rather than conflicts with, collective responsibilities.

This paper seeks to bridge these two terrains—the theoretical insights of FIRE's moral economy and the policy architecture of India's developmental state. By synthesizing Taylor and Davies' (2021) framework with Indian empirical realities, it argues that the FIRE ethos can serve as both a mirror and a model for India's financial transformation. The paper proceeds as follows:

- Section II develops the theoretical framework, drawing on the financialization-of-anti-capitalism thesis and its relevance for developing economies.
- Section III presents thematic analyses of India's financial inclusion, literacy, investment, and savings reforms through a FIRE lens.
- Section IV discusses how these behavioural and structural shifts interact with the Viksit Bharat 2047 agenda.
- Section V concludes by proposing a policy model for embedding FIRE-like behavioural discipline within India's inclusive growth paradigm.

Financialization, Moral Economies, and FIRE's Cultural Logic

The Financial Independence Retire Early (FIRE) movement occupies a distinctive position in contemporary debates about financialization, autonomy, and subjectivity. It does not simply represent a new form of individual financial management but rather a deeper moral project that redefines freedom, labour, and consumption through financial means. Taylor and Davies (2021) describe FIRE as the financialization of anti-capitalism—a paradoxical social formation in which the critique of work and consumerism is pursued through intensified financial engagement. This framework provides a conceptual bridge to interpret India's financial transformation, where behavioural reforms, inclusion policies, and digital infrastructures are similarly creating new “financial subjects” aligned with state development goals. Taylor and Davies (2021) trace FIRE's roots to the post-2008 era, when trust in corporate employment and social safety nets eroded in advanced economies. FIRE adherents responded by adopting radical thrift, rigorous budgeting, and aggressive saving to buy freedom from wage dependence. They framed this as both ethical resistance to consumer capitalism and a pragmatic embrace of market instruments such as low-cost index funds. The authors call this dualism a moral economy of frugality—a system where financial calculation is simultaneously a moral and political act.

In India, similar logics appear within public policy, albeit through collective mechanisms. Financial inclusion schemes like the Pradhan Mantri Jan Dhan Yojana (PMJDY) and UPI's transparent payment architecture institutionalise the same “audit culture” that FIRE individuals practise privately. Both encourage continuous self-tracking and disciplined management of resources. As Taylor and Davies (2021, p. 704) note, FIRE adherents treat every transaction as a “moral and technical act,” fusing ethics and accounting. The state's promotion of cashless payments and savings schemes can be read as a macro-

level translation of this ethic—a financialized citizenship grounded in visibility, measurement, and self-discipline.

2. THE MATIC SECTIONS

Financial Inclusion and the Behavioural Preconditions for FIRE

India's financial inclusion revolution has been unprecedented in scope and pace. As of 2024, more than **51.6 crore Jan Dhan accounts** have been opened (Ministry of Finance, 2024), with women comprising 56% of account holders and rural and semi-urban areas accounting for 67%. These numbers signal more than bureaucratic success—they constitute the behavioural and infrastructural base on which any form of financial independence, including FIRE, must stand.

FIRE, as theorised by Taylor and Davies (2021), is a deeply infrastructural project. It requires calculative literacy, continuous financial visibility, and trust in formal financial systems. In Western economies, this infrastructure is largely privately mediated through brokerage apps and online banks; in India, it has been built as a public good—through the **Digital Public Infrastructure (DPI)** of Aadhaar, UPI, and Jan Dhan. UPI alone processed over **130 billion transactions in FY2024**, amounting to ₹139 lakh crore (NPCI, 2024).

This shift represents what Taylor and Davies (2021, p. 702) call a “technological rationality of financial morality”—where systems of transparency and traceability make financial discipline possible. Every UPI transaction, savings deposit, and SIP installment is not only a financial act but a micro-practice of behavioural governance. Thus, India's financial inclusion policy can be read as the institutionalisation of FIRE's micro-discipline at scale—a collective form of the calculative self that FIRE promotes individually.

Yet inclusion alone does not guarantee financial agency. Many PMJDY accounts remain dormant, and participation in formal investment markets is still limited to 3–4% of the population (LiveMint, 2024). The gap, therefore, lies not in access but in activation—the transformation of account ownership into wealth-building behaviour. This transition demands the same ethical discipline that Taylor and Davies identify in FIRE: a commitment to deferred gratification, the moral valorisation of saving, and the ability to envision long-term goals through short-term sacrifice.

In this respect, India's inclusion ecosystem provides the infrastructure but not yet the habitus (Bourdieu, 1990) of FIRE-like financial citizenship. Bridging this gap requires cultural work—normalising saving and investing as moral as well as rational acts. Initiatives such as “Azadi Ka Amrit Mahotsav” or “Invest India” could incorporate FIRE-inspired narratives of independence through financial self-discipline, aligning moral language with economic behaviour.

Financial Literacy and NEP 2020: Cognitive Foundations of Financial Independence

Financial literacy is the cognitive counterpart to financial inclusion. According to the **S&P Global Financial Literacy Survey (2024)**, only 27% of Indian adults understand basic financial concepts such as compound interest, inflation, and risk diversification. The **National Education Policy (NEP) 2020** explicitly recognises this deficit, mandating the integration of financial, digital, and credit literacy into school curricula.

Taylor and Davies's (2021) analysis of FIRE provides a theoretical rationale for why such literacy matters beyond instrumental knowledge. FIRE adherents embody what they term the “quantified moral subject”—

a person who continuously monitors income, spending, and investment metrics to align with ethical goals of frugality and independence. In other words, literacy here is not only informational but moral-technological: a means of cultivating responsible selfhood.

India's NEP 2020 aligns with this vision in principle, but not yet in pedagogy. Schools rarely teach compound interest or retirement planning, and behavioural finance remains absent from most university curricula. The result is a population that participates in digital payments without understanding investment compounding—a financially included but behaviourally excluded citizenry.

Integrating FIRE-relevant knowledge into NEP's vocational and life-skills modules could change this. Concepts like “time value of money,” “index investing,” and “financial independence milestones” can be reframed as civic education—preparing students to become financially autonomous contributors to *Viksit Bharat 2047*.

Taylor and Davies (2021, p. 705) describe FIRE as a “pedagogy of self-mastery through numbers.” In India's context, this pedagogy must be collectivised—embedded in public education and digital literacy campaigns. Doing so transforms FIRE from an elite self-help ideology into a developmental behavioural model accessible to all.

3. DISCUSSION

FIRE, Developmental Statecraft, and the Ethics of Financial Behaviour in India

The intersection of FIRE thinking and India's developmental agenda reveals both a convergence of purpose and a dissonance of structure. The *Viksit Bharat 2047* vision seeks to transform India into a developed, self-reliant economy by strengthening savings, capital formation, productivity, and citizen empowerment. The FIRE (Financial Independence, Retire Early) philosophy, in turn, envisions personal freedom through disciplined saving, long-term investing, and minimal consumption. Both are underpinned by a shared behavioural grammar: future orientation, deferred gratification, and the pursuit of autonomy. Yet, while *Viksit Bharat* situates these behaviours within collective development, FIRE originates as a project of individual liberation.

Taylor and Davies' (2021) notion of FIRE as the financialization of anti-capitalism is central to understanding this tension. FIRE practitioners in the West use the logic of finance—calculation, assetization, and compound growth—to escape wage dependency. In India, the state uses financialization to deepen inclusion and mobilise domestic savings. The former is an exit strategy from capitalism; the latter is a governance strategy within it. This difference produces distinct subjectivities: the autonomous investor-citizen versus the empowered developmental citizen. Nevertheless, the technologies and ethics that underpin both are remarkably similar.

From Inclusion to Independence: Behavioural Deepening of Development

Over the past decade, India's financial reforms have produced what might be called a **behavioural infrastructure of development**. Digital identity (Aadhaar), universal bank access (PMJDY), real-time payments (UPI), and online investing platforms have together created an environment where FIRE-like financial conduct—saving, budgeting, and investing—can occur at mass scale. Taylor and Davies (2021) interpret FIRE as a cultural system that merges “technical rationality with moral aspiration.” The same

synthesis now characterises India's financial citizenship: policy nudges that reward prudence, transparency, and digital self-management.

Towards a Behavioural-Developmental Paradigm

Taken together, these dynamics suggest the emergence of a **behavioural-developmental paradigm** in India—one in which personal finance behaviour is recognised as an instrument of national development. This paradigm integrates Taylor and Davies's moral-economic theory of FIRE with behavioural public policy and developmental economics.

At its core lies a shift in the meaning of independence:

- For the state, independence signifies reduced fiscal burden and higher domestic capital formation.
- For the citizen, it means control over time, resources, and security.

FIRE becomes the mediating language between these two visions—a behavioural translation of macroeconomic objectives into microeconomic conduct. In this sense, India's journey from financial inclusion to financial independence may represent the global South's first instance of state-enabled FIRE: a hybrid of Western behavioural ethics and developmental statecraft.

4. CONCLUSION

India stands at a unique moment in its economic evolution. A decade of state-led financial inclusion, digital transformation, and capital market reforms has created the preconditions for financially disciplined, investment-oriented behaviour among its citizens. Within this ecosystem, the FIRE movement—while not universally achievable—presents a mindset that resonates with the aspirations of young, urban Indians and aligns surprisingly well with the nation's developmental goals. FIRE should not be romanticised as a universal strategy; it must instead be interpreted as an orientation toward long-term financial stability, disciplined wealth creation, and reduced dependency. When contextualised within India's social realities, FIRE thinking can complement policies aimed at creating a financially secure, productive, and empowered population. The challenge for India is to ensure that financial independence does not remain the privilege of a narrow class but becomes a realistic aspiration supported by inclusive policies, strong institutions, and widespread financial literacy. If harnessed responsibly, the FIRE ethos may contribute significantly to India's march towards Viksit Bharat 2047—not as a movement of early retirees, but as a generation capable of building long-term wealth with confidence, discipline, and social responsibility.

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