

THE HINDUSTAN TIMES SUMMIT 2013 Prime Minister's Address

The following is the full text of Prime Minister Manmohan Singh's speech at the Hindustan Times Summit 2013.

I compliment Shobhana ji for her enterprise and commitment in organizing this annual gathering every year over the past decade. When I looked at the theme of each of your last ten summits, I noticed that you have consistently focused on India's future – both on the opportunities and the challenges that lie ahead. The media are, by vocation, duty-bound to focus on the present, the here and the now. But I am glad that, through initiatives such as this Summit, they take time once in a while to think about the future too.

In keeping with that spirit, let me also use this opportunity to step back and reflect on **The Big Picture**.

I belong to a generation that was shaped by our freedom struggle and by our efforts at nation building. Freedom gave us hope. Independence gave us courage. Democracy gave us rights and responsibilities. And nation-building defined our charter. Ours was a generation that lived through nearly half a century of slow growth, low industrial development, frequent famines and little social mobility. That India still exists for many of our brothers and sisters, but for fewer and fewer of them.

Having lived through a past that was very different, my generation constantly tends to compare it with our present. And the stark fact is that, as a generation, we have experienced a transformation in our own lives that in our youth we never even imagined was possible. There are millions of Indians like me, who have spent their childhood in a milieu of little hope, and have then lived a lifetime of sweeping transformation. This is not a function of the passage of time alone, but of a combination of the effort, enterprise and aspirations of our people, as also the leadership and guidance provided by various governments at the Centre and in the States.

After half a century of zero growth between 1900 and 1950, we saw the annual rate of growth rise to 3.5 per cent. When we realized that other developing countries were over-taking us and had found new routes to development, we too changed our course. In the past two decades, the rate of growth more than doubled to an annual average of over 7.0 per cent and the Indian economy was put on an upward trajectory.

Naturally, there will be periodic ups and downs. The economic cycle presents us years of high performance and years of modest performance. But the highs are getting higher and so are the lows. Today, many feel dissatisfied with an annual rate of growth of 5.0 per cent, while for more than two decades, 5.0 per cent was the target rate of growth of our five year plans.

Through all the ups and downs in the face of global challenges and despite the burden of past policy mistakes, our economy is on a rising growth trajectory. This is the first lesson I draw from stepping back and looking at The Big Picture.

However, economic growth, social change and political empowerment have brought in their wake the new aspirations of an entirely new generation of Indians. This has contributed to growing impatience for faster growth and an even better quality of life. These aspirations and ambitions are exerting pressure on governments to deliver more, perform better and be more transparent and more efficient.

A "Revolution of Rising Expectations" is underway and I welcome it.

What is truly significant though, if one steps back and looks at the big picture, is that our democratic political system has been responsive to these expectations. Governments have been elected and re-elected in every state of our Republic through peaceful, fair and efficiently organized elections within the context of an India that is changing faster than ever before.

Once in a while, public anger may spill over onto our streets and into the media, but India's 'silent majority' exercises its franchise in legitimate democratic ways to secure change.

Over the past two years, some well-meaning and concerned citizens tried to spread cynicism by accusing the entire political class of being corrupt and anti-people. Many began to suggest that democracy had not served India well. They attacked the institution of Parliament by refusing to respect Parliament's judgment. Did that turn our people against democracy? Did that make them despair about the electoral system? No. Look at the voter turnout at every election over the past two years and in the just concluded Assembly elections

Even in the face of churning ambitions and rising expectations, the people of our country choose to vote and secure change through democratic means. This is the second important lesson I draw when I look at the Big Picture.

Faced with the challenge of meeting the rising aspirations of our people and of ensuring the political sustainability of high growth, we defined a new strategy of growth that is widely termed as "Inclusive Growth". Making our growth processes socially and regionally inclusive has been the touchstone of our government's policies. Our **Strategy of Inclusive Growth** has six elements:

First is what I have often called "A New Deal for Rural India" – investment in rural development, rural infrastructure – especially roads and electricity - rural health and education and remunerative prices for rural produce. We called this "Bharat Nirman".

Second, increased public and private investment in education and health care, with a focus on girls and young women.

Third, livelihood, food and energy security for the poor.

Fourth, a more transparent and responsive government made answerable to people through the Right to Information.

Fifth, investment in skills and support for private enterprise, especially small and micro enterprises.

And sixth, public investment in public transport, especially urban mass rapid transportation.

Taken together, these interventions have made our growth processes more socially inclusive.

I cannot deny that there remain many challenges and problems and weaknesses in implementation. Our biggest challenge in trying to sustain this process of Inclusive Growth has been to bring rates of inflation down and keep the fiscal deficit under control. These remain a challenge and are being seriously addressed.

Any sudden acceleration of growth, as we saw in the period 2004-08, creates imbalances that can contribute to inflation. Such growth can also create opportunities for personal enrichment that distorts governance and creates social resentment. Rising economic growth has helped to liberate millions of Indians from chronic poverty, reducing the incidence of poverty, but it has also widened social and economic inequalities. Our Strategy of Inclusive Growth has sought to blunt the edge of such disparities.

This is the third lesson we draw from looking at The Big Picture.

Let me now examine The Big Picture with respect to national security and international affairs. The media, quite understandably, report on events as they occur. Any lapse on the part of security forces and the intelligence and law and order machinery comes in for understandable criticism. We have been victims of premeditated acts of terror and each time terrorists attack us, there is widespread anger and despair.

In considering the Big Picture, I urge you to keep two things in mind. One, a terrorist has to succeed only once to cause pain to innocent people, while the security forces have to succeed every minute of every day to prevent terror attacks. By this yardstick, we must appreciate the dedication and commitment of our security forces and intelligence agencies in preventing many, many more attacks.

More importantly, I have always viewed the challenge of terrorism in India as one of preventing the ideologues of terrorism from creating divisions among the people of our country and pitting one Indian against another. The objective of a terror attack is not just to kill innocent people. It is not just to create fear, but in fact to cause hate. It is to use such killing to create mutual distrust between people of different faiths. Creating communal tension, communal conflict and communal divisions in India is the ultimate objective of terrorism.

Every time the people of our country respond to terror attacks as one people, as Indians and not as Hindus or Muslims or Sikhs or Christians, we defeat the forces of terrorism. We challenge the ideology that feeds terrorism.

If we only look at the number of terror attacks on India in quantitative terms, we may feel despondent. However, if we consider the fact that, over the past decade, such acts of terrorism have failed to generate communal conflict, we feel more hopeful. Terrorism is being defeated in the minds of our people because they are refusing to respond to such attacks in the manner in which the ideologues of terror want them to.

This is the fourth lesson I draw from The Big Picture view of contemporary India.

Finally, ladies and gentlemen, look at India and the world.

I entered the world of politics in the midst of a crisis. In 1991, India was confronted by two challenges on the external front. Most of you will only recall the external payments crisis of 1990-91. But this payments crisis occurred against the backdrop of an even bigger challenge – the breakdown of the bipolar global order.

As finance minister in 1991, I had to worry not only about reducing the fiscal deficit and reviving economic growth, but also about stabilizing the rupee and ensuring access to adequate foreign exchange. The latter challenge was rendered particularly acute on account of the shifts in global power balances as a result of developments in the former Soviet Union and East Europe.

Under the leadership of Prime Minister Narasimha Rao, we took momentous decisions both with respect to our economic policies and with respect to our foreign policy. Prime Minister Rao launched what has come to be known as India's "Look East Policy", linking India to the new growth engines of Asia. We liberalized our trade and investment rules to help us re-integrate with the world economy. In doing this, we were inspired by the experience of many East and South-east Asian countries.

Since then, we have faced multiple challenges on the external front. But whether it is dealing with sharp escalations in food and energy prices, or the Asian financial crisis in 1997-98 and the Trans-Atlantic financial crisis in 2008-09, or the rise of China as a global mega-trader and changing power balances in the global and regional trading regimes, we have managed to protect India's core economic and foreign policy interests.

In facing these challenges, special mention must be made of Indian professionals and entrepreneurs who have made a mark for themselves around the world. Brand India is slowly but surely coming to be recognized. Millions of Indian professionals, skilled workers and entrepreneurs are today welcomed around the world.

This ability to deal with the challenges of globalization and build new bridges with a range of countries has helped India emerge as a global player. But, in the past few months, Indian business leaders have been worried. I understand their anxieties about our red tape, our tax laws and administration, our regulations and procedures. I have often found it tough to deal with these

challenges because of a lack of political consensus on the reforms we need to bring in. Yet, I must say, despite all these problems, Indian business and enterprise has demonstrated its ability to cope with competition.

The widening global footprint of Indian professionals and entrepreneurs is altering the priorities of our foreign policy. In 1991, I had said that the emergence of India as an economic powerhouse was an idea whose time had come. Over these past two decades, this idea has shaped our relations with the world, with all major powers, with our Asian neighbours and across the Indian sub-continent.

This is the fifth lesson I draw from The Big Picture.

As I said to our heads of missions from around the world at their annual conference last month, our foreign policy is defined by our developmental priorities. The single most important objective of Indian foreign policy has to be to create a global environment conducive to the well-being of the people of India. I believe the experience of the past two decades tells us that greater integration with the world economy is benefitting India and enabling our people to realize their creative potential. The world wants India to do well.

Even as we strengthen our relations with all major powers, we are doing more to become an active member of the emerging Asian economic community. India's voice is heard with respect in all important international forums.

Even as you pay attention to the problems of the here and now, which is the duty of the media as indeed of us in government, I urge you to consider the Big Picture.

India is on the move. Indians are on the move. As India rises, there are challenges to deal with. Our real challenges are at home and ups and downs are part of life. We all know that. But we have never allowed ourselves to be overwhelmed by twists and turns in our lives. We have never allowed these challenges to weaken our faith in ourselves, in our democracy, in the principles that define our democracy and in India's destiny.

This unyielding spirit of the Indian people is what we must celebrate at all times. Governments come and go. We are all birds of passage, actors on different stages. But this great nation of ours is one of the oldest civilizations known to humanity and the birthplace of some of the world's greatest religions and wisest philosophies. This ancient land has witnessed the flowering of the human spirit again and again. India will continue to rise and, in doing so, will help everyone rise.

That is the Big Picture.

For the short period we mortals occupy the places we do, let us strive to do our best, for India, for the world, for humanity.

Thank you.