



OPINION
MJ AKBAR

Our goal is to lift a rising India into a new India

It is my pleasure to welcome you all to the fourth edition of India-Europe 29 Business Forum. The Forum has become a formidable bridge linking a continent and a subcontinent in a common quest for shared prosperity. There is a lot that India and Europe share in common: We are both pluralistic societies and vibrant democracies; openness, predictability of policies and rule of law is ensured; our economies are among the fastest growing economies in the world; we have aspiring populations that are innovative and enterprising.

The last hundred years have seen history somersault in unpredictable ways, for both Europe and India. Europe eventually found peace and its most beneficial consequence, shared prosperity, when it moved out of the mindset of internal and external wars. India set aside deep disappointments that accompanied its triumph over colonisation, and renewed its national mission with vitality and commitment of its age-old philosophical values of pluralism and harmony. The consequence in our country too has been an economic harvest to the point where its GDP has shown the fastest growth among big economies.

The present transformation of India is on an unprecedented scale, led by the Prime Minister Narendra Modi's effective and transparent governance. India is moving towards a knowledge-based society, which aims to build a five trillion dollar economy by 2025. This will make us the third largest consumer market in the world by 2025. According to the World Bank and IMF, our growth rate is going to be steady and high; India ranked third in WEF's list of most trusted governments in 2017. Moody's has upgraded India's rating on account of its economic reforms; India has climbed 30 places in the World Bank Ease of Doing Business Index this year, the biggest jump by any country last year. The Indian economy has shrugged off the dilemma of fits and starts; it is firing on all cylinders. I am happy that European businesses are looking towards India and are increasingly finding business toeholds in an outward looking manner. At the same time, Indian business is becoming a significant investor in Europe. I would like to assure you that the government of India is fully committed and working towards supporting these trends.

Our goal is to lift a rising India into a new India that will become a model of freedom, pluralism and shared prosperity. The Prime Minister Modi's mantra is reform, perform and transform. The informal economy has been addressed through demonetisation, digital transactions, direct tax reforms, expansion of tax base and banking reforms. Transparency is the economy of waste and institutionalised corruption; DBT, through UID and bank accounts, combats corruption and controls inflation. We have been disciplined about fiscal deficit and current account deficit. Over the last three years, we have resolved a number of regulatory and policy issues facing business, investors and companies. India is a Union of states and many of them have initiated the hard process that will make them competitive – we call "competitive federalism". More than 90 per cent of FDI approvals have been put on the automatic approval route. As a result, there has been a sharp rise in FDI in the past three years – from 36 billion US dollars in 2013-14 to 60 billion US dollars in 2016-17.

The vision of radical change set in motion four years ago has begun to deliver. The significant upgrading of physical infrastructure including roads, railways, air and seaports, is itself evidence of the scale and scope of this task. Our Sagarmala project, for instance, seeks to connect our long coastline and ports to the hinterland through internal waterways as well as improved existing arteries. We are adding 100 new regional airports and upgrading several hundred existing ones. Our objective is to reduce the logistics cost and transaction time.

Our regulatory framework was aching for reform as well. More than 1200 laws have been eliminated, many of which showed the surprising ability to last seven decades beyond the British Raj. There is more. Around 1500 more have been identified for repeal.

India is an investment in the present and the pre-eminent guardian of the future for at least three central reasons.

First: We believe that prosperity is a democratic right. In other words, we reject the notion that growth comes at the cost of individual freedom. The Prime Minister has set the fundamentals of our mission with clarity and conviction: Poverty elimination and shared prosperity for all. This means, for businessmen in India and Europe, India will witness a spike of at least 400 million more active consumers, who will have the surplus to buy products that improve the quality of their lives in quantum leaps.

Second: PM Modi has introduced two radical ideas — gender emancipation and technology transfer to the impoverished, at the heart of his economic regeneration program. To cite an example, under the biggest micro-finance scheme MUDRA, more than 100 million loans have been disbursed over the last 3 years. But what is more fascinating is that 75% of these loans have been granted to women. There is a simple logic to this statistic. Women can be trusted better with money. And, when you invest in man, you are investing only in a salary; but when you invest in a woman, you are investing in a future. Another similar scheme is the Prime Minister's Affordable Housing program, which has a mandatory provision that the women of the house — mother or wife — has to either be sole or co-owner of houses. These have made women home earners and home owners, ensuring a prominent role for them in India's startling economic rise.

Third: India is at the vanguard of the challenge to our economic prosperity — the threat of conflict. Ever since our ancient ancestors began the discourse of philosophy, literature and civilisation, till the present moment, the meaning of peace has remained the same. It is the meaning of war, which keeps changing. Today, the most barbaric form of conflict, terrorism, has emerged from a warped consciousness that promotes the dangerous notion of faith supremacy. We, in India and Europe, remain committed to faith equality, democracy and the rule of law as the basis of stability. This is why we will win the war against terrorism both on the battlefield and in the mind.

Edited excerpts from a speech by Minister of state for external affairs, MJ Akbar at the inaugural session of the 4th India-Europe 29 Business Forum in New Delhi, March 5