

India ' s Top Priority Is Meeting High Aspirations of Younger Generation

13 November 2011

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- New prosperity has unleashed huge aspirations among the young; fulfilling them is the country ' s next challenge, participants declare at India Economic Summit
- India has reason to be satisfied with its economic achievements over the past 20 years, but must move fast on long-delayed reforms
- India needs more access to capital to grow, and growth needs to be faster and more inclusive
- More information about the Summit is available at <http://www.weforum.org/india>

Mumbai, India, 13 November 2011 – A “ New India ” has emerged after 20 years of reforms, but the new prosperity has unleashed huge aspirations among the young and fulfilling them is the country ' s next challenge, participants declared on the first day of the India Economic Summit. In partnership with the Confederation of Indian Industry (CII), the World Economic Forum is holding its annual India Economic Summit for the first time in Mumbai. Under the working theme “ Linking Leadership with Livelihood ” , over 800 participants from 40 countries are taking part.

Taking stock of what India has achieved over the past two decades, Mukesh D. Ambani, Chairman and Managing Director, Reliance Industries, India, struck a note of optimism that was echoed by his fellow panellists during the opening plenary session on “ India in the New Global Reality ” .

“ The reality is that we have brought 150 million people out of poverty, and the reality is that India is a land of a billion opportunities and not a billion problems, ” said Ambani.

Thanks to its tremendous growth, India has managed to assume a more prominent role on the world stage. No one, not even Indians, expected the country to do so well. Despite global uncertainties, the Indian economy is poised to continue growing, thanks to the demand represented by its young population and a stable political and social environment.

But the aspirations that have been created now need to be met. Commerce and Industry Minister Anand Sharma said there is no room for complacency. The country has to generate jobs for the millions of young Indians joining the workforce every year; it has to give skills to millions to make them employable; it has to curb inflation without dampening consumption; and it has to satisfy the hope for a better life.

“ Fortunately, the fundamentals of our economy are strong. That is what is providing hope and stability, ” Sharma said. “ We are conscious of the fact that institutions must be regulated, and markets must be regulated in a manner that over-speculation and rash decisions do not hurt the overall growth story. ”

Chanda Kochhar, Managing Director and Chief Executive Officer, ICICI Bank, India, pointed out that to finance continued or faster growth, India needs access to capital – both equity and debt. But all these “ problems ” , such as access to capital, educating the young and controlling inflation, are all “ problems related to growth, so in that sense they are good, ” she said.

Prithviraj Chavan, Chief Minister of Maharashtra, expressed faith in the intrinsic resilience and strength of India ' s democratic institutions, but he sounded a note of concern on the events unfolding in the US and Europe. “ Can India play a stabilizing role in what is happening around us, or can the crisis get more serious and affect our aspirations for faster growth? I hope not, ” said Chavan.

The panellists referred to the complexity of India and the difficulty of reconciling its extraordinary diversity of ideologies and opinions. All this combines to make fast decision-making very difficult, but it is precisely fast decision-making that India currently needs. These are among the reasons, Sharma explained, why India 's next wave of economic reforms – in the financial sector, in the retail industry and in labour reforms – have been delayed.

But Sharma said he is hopeful that the coming winter session of Parliament, although likely to be turbulent, would succeed in passing much of this pending legislation.

The co-chairs of the Summit are: Natarajan Chandrasekaran, Chief Executive Officer and Managing Director, Tata Consultancy Services, India; Adi B. Godrej, Chairman, The Godrej Group, Godrej Industries, and President-designate, Confederation of Indian Industry (CII), India; Jeffrey Joerres, Chairman and Chief Executive Officer, ManpowerGroup, USA; Huguette Labelle, Chair, Transparency International, Germany; Tuls R. Tanti, Chairman and Managing Director, Suzlon Energy, India; and Ben J. Verwaayen, Chief Executive Officer, Alcatel-Lucent, France, and a Member of the Foundation Board of the World Economic Forum.

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