News Release

WORLD ECONOMIC FORUM

COMMITTED TO IMPROVING THE STATE OF THE WORLD

India Can Become a Model for a New “Democratic Capitalism”

14 November 2011

Desirée Mohindra, Senior Media Manager: Tel.: +91 88 7933 5338,
E-mail: desiree.mohindra@weforum.org

- India should deepen its democracy and strive to create a new model of “democratic capitalism”
- While India should focus on pushing reforms, the government should remember that growth is critical
- Technology can be used to enhance talent development, financial inclusion, transparency and good governance
- More information about the Summit is available at http://www.weforum.org/india

Mumbai, India, 14 November 2011 – As India strives to achieve the vision of sustainable and equitable growth, it must deepen its democracy, Arun Maira, a member of India’s Planning Commission, the Cabinet-level agency that drafts the country’s Five-Year Plans, told participants in the closing session of the World Economic Forum’s India Economic Summit 2011. “We must have much faster inclusion along with growth,” Maira said. “We celebrate India as a democracy. What Indians are saying is that we want to participate in the decisions that affect our lives. We want to have a more democratic market and democratic capitalism – business by the people, of the people and for the people.” Noting the demonstrations around the world against what protesters regard as the unfairness of capitalism, Maira concluded: “India needs much more democratic capitalism. India could be an emerging model of what can be done.”

Maira made his remarks after listening to the six Summit Co-Chairs offer their thoughts on the main messages for India and its leaders to come out of the two days of discussions among over 800 business, government and civil society leaders from 40 countries. Referring to the young demographics of India, Ben J. Verwaayen, Chief Executive Officer of Alcatel-Lucent, said that the youth have a simple message for their elders and leaders: “Don’t block us. We have the new models for India. Please don’t get in our way.”

For Tulsi R. Tanti, Chairman and Managing Director of Suzlon Energy, the main message of the Summit is that India should focus on building a sustainable economy and reform the country’s energy architecture, particularly the power sector, to ensure that “we can bring a better life and better opportunities to the 400 million people” in India who do not have electricity. For his part, Natarajan Chandrasekaran, Chief Executive Officer and Managing Director of Tata Consultancy Services, called on India’s leaders to focus on “how we can liberate technology to solve problems at a reasonable cost and leapfrog.” Technology, he pointed out, could be used to enhance talent development, financial inclusion, transparency and good governance. “It is absolutely possible to reach the vast majority of people through technology,” he explained.

The focus of reform efforts should be to tackle corruption and boost transparency, Huguette Labelle, the Chair of Transparency International, said. “We know that corruption feeds poverty, seeds violence and social destabilization, prevents the development of social infrastructure, and chases away investments. She argued that India should make efforts to increase transparency in government procurement, licensing and land registration. This would result in huge savings and would be welcomed by citizens in light of the recent rise in public activism against corrupt practices.

Reforms need to push ahead, Adi B. Godrej, Chairman of the Godrej Group, Godrej Industries and President Designate of the Confederation of Indian Industry (CII), agreed. “It is very important that we set politics aside and set the reform agenda so that we can bring reforms forward rapidly so the deceleration of GDP growth can be reversed.” While addressing corruption and increasing transparency are critical tasks, “it is very important for the government to keep in mind that all the progress India has made and the potential progress are dependent on growth,” Godrej warned.

India’s leaders often cite the complexity of the country’s problems as a reason for not moving swiftly enough to solve them. India has the talent to take risks and sort out the challenges and simplify them so that straightforward solutions are implemented at a faster pace, Jeffrey Joerres, Chairman and Chief Executive Officer of ManpowerGroup, advised. He concluded: “India has a tremendous brand. It is at an inflection point with opportunities to fall back or to move forward. The world is waiting for India to take its place.”

Notes to Editors

Follow the Forum on **Twitter**: http://wef.ch/twitter
Live tweeting from the India Economic Summit: http://wef.ch/livetweet
Become a fan of the Forum on **Facebook**: http://wef.ch/facebook
Watch the key sessions live from Mumbai: http://wef.ch/live
Check in with the Forum on **Foursquare**: http://wef.ch/foursquare
Read the **Forum Blog**: http://wef.ch/blog
Follow the Summit on **iPhone**: http://wef.ch/iPhone
Upcoming Forum events: http://wef.ch/events
Subscribe to Forum **news releases**: http://wef.ch/news
For updates on the activities of the World Economic Forum, subscribe to RSS feed

---

The World Economic Forum is an independent international organization committed to improving the state of the world by engaging leaders in partnerships to shape global, regional and industry agendas.

Incorporated as a foundation in 1971 and headquartered in Geneva, Switzerland, the World Economic Forum is impartial and not-for-profit; it is tied to no political, partisan or national interests (http://www.weforum.org).

WORLD ECONOMIC FORUM
World Economic Forum, 91-93 route de la Capite, CH-1223 Cologny/Geneva
Tel. +41 (0)22 869 1212, Fax +41 (0)22 786 2744, http://www.weforum.org