

## India's Home Affairs Minister Chidambaram: Create Wealth but Share It Equitably

29 January 2011

- About 100 million Indians fall outside the reach of government programmes to advance inclusive growth
- Managing inflation, now at about 8.5%, is a major challenge for India
- Education, particularly for girls, is a key to achieving inclusive growth
- More information on the World Economic Forum Annual Meeting 2011: <http://www.weforum.org>

**Davos, Switzerland, 29 January 2011** – Growing by nearly 9% a year, India has become a model of an economy that is expanding rapidly within the context of an open, democratic society. The biggest challenge for the country is to ensure that growth is inclusive. “Examples like China have shown us that, as growth takes place, poverty comes down substantially,” said Chanda Kochhar, Managing Director and Chief Executive Officer of ICICI Bank Ltd of India, in a session on “India’s Inclusive Growth Imperative” at the World Economic Forum’s Annual Meeting 2011. “Growth and inclusion have to go hand in hand.” Kochhar is one of the Co-Chairs of the Annual Meeting.

While numerous government initiatives are advancing the goal of inclusive growth, “the fact is that these programmes don’t reach all of India,” Palaniappan Chidambaram, Minister of Home Affairs of India, acknowledged, estimating that about 100 million Indians fall outside their reach. He expressed concerns about inflation, now at about 8.5%, and how price increases may affect the poor and people at the margin who might be forced below the poverty line. How India manages inflation to promote both growth and poverty reduction is a central question for India today, Min Zhu, Special Adviser, International Monetary Fund (IMF), Washington DC, agreed.

A wider challenge for India’s leaders is to shape effective policies to promote growth and reduce poverty that have the broad support of the people, Chidambaram explained. “We can’t change our government and political system to get that extra 1% growth. We are not authoritarian; we have to govern by consent.” He denied that making wealth was ever frowned upon in Indian society. “All must be encouraged to create wealth, but it must be shared equitably.”

Education is an important way to promote inclusive growth, panellists said. “The challenge we have now is not the quantity but the quality of education,” Salil Shetty, Secretary-General of Amnesty International in London, said. As China demonstrated, the key is to educate women and young girls, noted Michael J. Elliott, Editor, Time International, and Deputy Managing Editor of Time Magazine. “The very early Chinese commitment to the education of girls made it likely that their first phase of development would be more inclusive.” Panellists also agreed that India had to tackle corruption if it is to achieve truly inclusive growth.

### Notes to Editors

For more information about the Annual Meeting 2011: <http://wef.ch/Davos2011>

Watch interviews with top leaders about the Davos agenda at <http://wef.ch/DavosInterviews>

View the best pictures from the Annual Meeting on Flickr at <http://wef.ch/pix>

Watch live webcasts of the sessions on Livestream at <http://wef.ch/live>

Watch the sessions on demand on YouTube at <http://wef.ch/youtube> or <http://wef.ch/youku>

Ask a world leader on YouTube at <http://wef.ch/davosdebates>

Become a fan of the Forum on Facebook at <http://wef.ch/facebook>

Follow the Forum on Twitter at <http://wef.ch/twitter> and <http://wef.ch/livetweet>

Check in with the Forum on Foursquare at <http://wef.ch/foursquare>

Read the Forum Blog at <http://wef.ch/blog>

Read Forum reports on Scribd at <http://wef.ch/scribd>

Follow the Meeting on iPhone at <http://wef.ch/iPhone>

Upcoming Forum events at <http://wef.ch/events>

Subscribe to Forum News Releases at <http://wef.ch/news>

For more information about the Annual Meeting, please visit <http://www.weforum.org>

The World Economic Forum is an independent international organization committed to improving the state of the world by engaging business, political, academic and other leaders of society to shape global, regional and industry agendas. Incorporated as a not-for-profit foundation in 1971 and headquartered in Geneva, Switzerland, the Forum is tied to no political, partisan or national interests ([www.weforum.org](http://www.weforum.org)).

---

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, 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>