

# **INDIA AT 60**

## **Inclusive Growth – The Challenge of the New Era**

BEACON '08, LIBA, Loyola College, Chennai – 600 034

14-15 March 2008

LIBA, a premier management institute known for its academic excellence and research, initiates a nation-wide debate among corporates, governments and civil society groups on the urgency of inclusive growth in the country.

### **The Context**

India's economic performance in the recent period has been quite impressive. Among the sample of G-20 and major Asian countries, the economic growth in India during 2000-07 was the second highest after China. In 2003-07 the average growth rate has been 8.6% with 9.4% during the last year. India's software companies as well as its pharmaceutical, automotive, telecom and engineering industries have had remarkable achievements. Not long ago most foreign companies were reluctant and wary to invest in India, but the trend has been quickly reversed: almost every multinational corporation wants a share of the Indian pie; the Indian companies are in turn becoming major global players with strategic acquisitions abroad. More than ever before, the Indian economy is in the midst of an unprecedented investment boom.

Yet this phenomenon of rapid growth has been the privilege and prerogative of a few sectors and regions in the economy. Moreover, the fruits of this growth have benefited only a small section of the population. Instead of paving the way for poverty reduction, widespread education, better employment opportunities and improved quality of life for all citizens, the recent economic developments have reinforced old inequalities and created new forms of imbalances.

There is first and foremost the urban and rural divide because of which over 70 per cent of the Indian population that is dependent on agriculture is left behind. Even in cities and towns there is a further fissure and scandalous levels of disparity along the lines of housing, sanitation, living standards and access to services and technology. The geographical imbalances among the Indian states and regions are also becoming acute: while the states in the south, west and parts of the north are doing well, the states in central, eastern and north-eastern India are faring rather poorly in terms of economic growth and human development indicators. The livelihoods of poor farmers, small and medium-size entrepreneurs, tribal and traditional communities are increasingly under threat as Indian industries and multinational corporations encroach on their habitats for natural resources and business enterprises. The IT and other services such as marketing, finance, banking and tourism have opened

the doors only to educated, English-speaking girls. This is far from being adequate as the vast majority of girls and women in the country still face unequal prospects for decent jobs, education and health.

### **The Theme**

How should India take on this lopsided growth as it has turned 60 in August 2007? Given the current non-inclusive and inequitable tendency of growth on various fronts, the challenge before the nation for the new era is to aim at economic prosperity through fairer distribution of opportunities and resources. We should acknowledge the new dynamism and achievements of the Indian enterprise in the global market and the imperative to innovate for even greater achievements in the future. But the political and business leaders, public officials and policymakers, entrepreneurs and social activists, governments and NGOs in India have also the responsibility to explore alternative models of development. At sixty, India as a nation needs to look at the new era with renewed optimism and devise effective ways of empowering the skills and capabilities of every Indian so that economic and social opportunities are spread as widely as possible. We certainly have to do more to increase the productivity of our land, capital and of every citizen, but we need to do even more to ensure that our economic advancement is socially equitable, environmentally sustainable and morally just.

### **The Organisers**

Loyola Institute of Business Administration (LIBA), a premiere Jesuit Institution with exceptional world wide linkage, strives at the holistic formation of world class leaders with unmatched professional competence and a strong ethical perspective.

As part of its commitment to advocate sustained development of the nation and the world at large, LIBA organizes its second Business Ethics Conference – BEACON '08 – on 14-15 March 2008 on the theme “India at 60: Inclusive Growth – The Challenge of the New Era”.

We cordially invite you to join us and support us on this initiative.

The Beacon Team

LIBA, Loyola College, Chennai.

\* \* \* \* \*

“India is on the move. The Challenge before us is to make the growth process more socially inclusive and regionally balanced.”

- Manmohan Singh

“India jumped on to the world stage from its colonial cage sixty year ago with the vision not only for itself, but also for the world – for a democratic, peaceful world which would respect the freedoms of others and help each other in that pursuit.”

- Amartya Sen