

PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA

**ACHIEVING BROAD-BASED, INCLUSIVE AND SUSTAINED GROWTH IS OF
PARAMOUNT IMPORTANCE FOR HARMONY IN SOCIETY; ENSURING
SUSTAINABLE, INCLUSIVE AND SUSTAINED GROWTH FOR FUTURE
GENERATIONS REQUIRES MEETING OF THEIR FOOD AND ENERGY NEEDS;
REGIONAL COOPERATION NEEDED TO CREATE SYNERGIES BETWEEN THE
FAST GROWING ECONOMIES AND NEIGHBOURING ECONOMIES TO PUSH THE
ENTIRE ASIAN REGION INTO A HIGH GROWTH ORBIT: FM**

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The Union Finance Minister Shri Pranab Mukherjee said that achieving broad-based, inclusive and sustained growth is of paramount importance. The Finance Minister said that growth which is not inclusive and does not ensure equity across different sections of population has the potential to give rise to conflict and disharmony. Specific policies aimed at improving resource distribution, access to education and health care facilities, among many others, are imperative for most Asian societies, the Minister added.

The Union Finance Minister Shri Pranab Mukherjee said that sustaining high growth is equally important. He said that spurts in growth followed by stagnation will not deliver the desired results, For this, Shri Mukherjee said that it is vital for Asian economies to successfully transform their growth from being resource driven to high-skill and productivity-driven. **The Finance Minister Shri Mukherjee said that we have set-up a National Skill Development Council (NSDC) and a National Innovation Council and have decided to observe the current decade (2010-2020) as the “Decade of Innovation.” seeking to facilitate India’s transformation into a knowledge-and skill-based economy.**

The Union Finance Minister Shri Pranab Mukherjee was making the opening remarks while Chairing the first Panel discussion on the theme of “**Realising the Asian Century**” of the Eminent Persons Forum organised here today to mark the Commemoration of India-ADB 25 Years Partnership. Earlier the Union Finance Minister Shri Pranab Mukherjee declared the Eminent Persons Forum open.

The Union Finance Minister Shri Pranab Mukherjee said that rapid growth of emerging market economies in Asia has been a noteworthy feature of the global economy in recent years. Led by China, India and several other Asian countries, this dynamism makes Asia the world’s most vibrant region contributing close to 50 per cent of world growth, the Minister added. Shri

Mukherjee said that Asian countries have transformed themselves from primarily agricultural and resource based economies to industrial and increasingly services based economies in less than half a century. This remarkable journey continues great momentum, the Minister added.

The Union Finance Minister Shri Pranab Mukherjee said that despite sustained high growth, Asia is not on autopilot mode and would require careful steering and direction. He said that policy makers have the onerous responsibility of shaping the path to make the Asian Century a reality. The opportunities are immense and the challenges formidable, the Minister added. He said that with growing economic weight, comes greater responsibility. Shri Mukherjee said that Asia's growth trajectory and economic policy decisions are likely to have a profound effect on the global economy. **It is, therefore, important that Asia grows responsibly and in a more inclusive manner, the Minister added.**

In this context, the Union Finance Minister Shri Pranab Mukherjee said that he would like to take this opportunity to highlight some aspects of India's development experience which may be of relevance to the rest of Asia.

The Union Finance Minister Shri Pranab Mukherjee said that we in India are seeking to protect our poor and vulnerable through several public interventions including programme of targeted distribution of food, providing legal entitlement for employment through the Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS), public health support through National Rural Health Mission (NRHM) and support for improving education attainments through Sarv Shiksha Abhiyan (SSA).

The Union Finance Minister Shri Pranab Mukherjee said that Growth has to be sustainable for future generations. Shri Mukherjee said that Asian Governments and citizens need to recognise that our ecosystems –oceans, grasslands, forests and rivers must be respected more than ever before and efforts at their regeneration have to keep pace with growing economic prosperity. **There is need for a renewed effort to inform existing policies with green sensibilities, the Minister added.** He said that he is happy to mention in this connection that the Indian Government has put in place a National Action Plan for Climate Change, which includes no less than eight National Missions including National Solar Mission, National Water Mission, Mission for Sustainable Habitat, Mission for Enhanced Energy Efficiency and Mission for Sustainable Agriculture.

The Union Finance Minister Shri Pranab Mukherjee said that ensuring sustainable, inclusive and sustained growth requires, above all, meeting the region's food and energy needs. These are likely to be enormous given that Asia with an estimated population of 5.1 billion would account for 56 per cent of the world's population and 65 per cent of the population of the developing world in 2050. **In India, we are in the process of enacting a National Food Security Act that would provide food security as a matter of legal entitlement to the disadvantaged sections of society. This is in continuation of our approach to empower our people with entitlements backed by legal guarantees. We have already in place a Right to Information Act, a Right to Education Act and a MG National Rural Employment Guarantee Act. We are also initiating a number of measures to make possible a second Green Revolution. To assist other Member States in the South Asian region, a SAARC Food Bank has been operationalized with a major contribution from India.**

The Union Finance Minister Shri Pranab Mukherjee said that similarly, meeting the energy needs of the region is no small challenge. Shri Mukherjee said that Asia would have to ensure energy security by utilizing all available sources of energy including fossil fuels and renewable resources in an efficient and sustainable manner. He said that there is considerable scope to cooperate in this area within the region.

The Union Finance Minister Shri Pranab Mukherjee said that **managing urbanization and overcoming infrastructure constraints is another critical challenge**. Shri Mukherjee said that the Asian urban landscape is in for a gigantic transformation as its urban population is slated to double from 1.6 billion to 3.1 billion in the next four decades. He said that many of Asia's cities are already saturated and the deficit in civic amenities is likely to be grave. **The Finance Minister said that we must plan for mega cities and secondary cities to serve as growth centers. Shri Mukherjee said that projects aimed at greening our cities would have to proceed alongside. He said that India has launched the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), a massive city modernisation scheme, which envisages a total investment of over US \$20 billion over seven years. It aims at creating 'economically productive, efficient, equitable and responsive cities' by upgrading the social and economic infrastructure in cities, providing basic services to urban poor and strengthening municipal governance, the Minister added.**

The Union Finance Minister Shri Pranab Mukherjee said that another area of challenge and potential alike is capacity building and skill development of Asia's vast human resource base. He said that this will also help build more inclusive and socially cohesive societies. **Shri Mukherjee said if Asia is to take leadership in technology and remain at the forefront of the knowledge curve, its human resources have to be highly skilled. The Finance Minister said that first-of-its-kind the National Skill Development Corporation (NSDC) has been set up in India as a Public Private Partnership (PPP) with the ambitious goal of training around 150 million people in various skills by 2022.**

The Union Finance Minister Shri Pranab Mukherjee said that realizing the dream of the Asian century cannot be driven by each of us separately. **The Finance Minister said that we have to work together and in unison. Regional cooperation is needed to create synergies between the fast growing economies and neighbouring economies to push the entire region into a high growth orbit, the Minister added.** He said that the South Asia Sub-regional Economic Cooperation (SASEC) programme of the ADB, the South Asian Association for Regional Cooperation (SAARC) and the Bay of Bengal Initiative for Multi-Sectoral, Technical and Economic Cooperation (BIMSTEC), the Indian Ocean Rim Association for Regional Cooperation etc. are some of the mechanisms which seek to accelerate the region's economic development. **The Union Finance Minister Shri Pranab Mukherjee said that on a personal note, it is his dream and hope to see the SAARC attain the level of cooperation which has been achieved by ASEAN. India's Comprehensive Economic Partnership Agreement and Free Trade Agreements with a number of Asian countries also facilitate greater trade and investments across countries and are primary steps in integrating financial markets and channelising investments in the region, the Minister added .**

The Union Finance Minister Shri Pranab Mukherjee said that he is convinced that over the next few decades, **we can and must build an Asia that will realize its true potential by exploring new frontiers of growth, enhancing sustainability of its resource use and**

cooperating more closely to ensure prosperity to our people even as Asia's distinctive and rich culture as well as historical heritage is retained.

The Union Finance Minister Shri Pranab Mukherjee concluded by quoting from a speech given by India's first Prime Minister, Pandit Jawaharlal Nehru, a great visionary of Asian solidarity. **The Minister said that these lines are as relevant today as they were in 1947 when he took the initiative to convene the first ever Asian Relations Conference in New Delhi. He quotes:**

“there is a new vitality and powerful creative impulse in all the peoples of Asia. The masses are awake and demand their heritage. Strong winds are blowing all over Asia. Let us not be afraid of them but rather welcome them for only with their help can we build the new Asia of our dreams. Let us have faith in these great new forces and the things which are taking shape. Above all let us have faith in the human spirit which Asia symbolised for these long ages past.”

DSM/SS/GN

**Full Text of the Union Finance Minister Shri Pranab Mukherjee's
Opening Remarks at the Panel Discussion on the subject
"Realizing the Asian Century"
at 11 am on 17-10-2011**

Excellencies,
Ladies and Gentlemen,

I now declare the Eminent Persons Forum open. We shall proceed to the first panel of the Eminent Persons Forum. Permit me to initiate with a few observations -

2. The rapid growth of emerging market economies in Asia has been a noteworthy feature of the global economy in recent years. Led by China, India and several other Asian countries, this dynamism makes Asia the world's most vibrant region contributing close to 50 per cent of world growth. Asian countries have transformed themselves from primarily agricultural and resource based economies to industrial and increasingly services based economies in less than half a century. This remarkable journey continues great momentum.

3. Despite sustained high growth, Asia is not on autopilot mode and would require careful steering and direction. Policy makers have the onerous responsibility of shaping the path to make the Asian Century a reality. The opportunities are immense and the challenges formidable. With growing economic weight, comes greater responsibility. Asia's growth trajectory and economic policy decisions are likely to have a profound effect on the global economy. It is therefore important that Asia grows responsibly and in a more inclusive manner.

4. In this context, I would like to take this opportunity to highlight some aspects of India's development experience which may be of relevance to the rest of Asia.

- i. Achieving broad-based, inclusive and sustained growth is of paramount importance. Growth which is not inclusive and does not ensure equity across different sections of population has the potential to give rise to conflict and disharmony. Specific policies aimed at improving resource distribution, access to education and health care facilities, among many others, are imperative for most Asian societies.

We in India are seeking to protect our poor and vulnerable through several public interventions including programme of targeted distribution of food, providing legal entitlement for employment through the Mahatma Gandhi National Rural Employment Guarantee Scheme, public health support through National Rural Health Mission and support for improving education attainments through Sarv Shiksha Abhiyan.

- ii. Sustaining high growth is equally important. Spurts in growth followed by stagnation will not deliver the desired results. For this, it is vital for Asian economies to successfully transform their growth from being resource driven to high-skill and productivity-driven. We have set up a National Skill Development Council and a National Innovation Council and have decided to observe the current decade (2010-2020) as the "Decade of Innovation." seeking to facilitate India's transformation into a knowledge-and skill-based economy.
- iii. Growth has to be sustainable for future generations. Asian Governments and citizens need to recognise that our ecosystems – oceans, grasslands, forests and rivers must be respected more than ever before and efforts at their regeneration have to keep pace with growing economic prosperity. There is need for a renewed effort to inform existing policies with green sensibilities. I am happy to mention in this connection that the Indian Government has put in place a National Action Plan for Climate Change, which includes no less than eight National Missions including National Solar Mission, National

Water Mission, Mission for Sustainable Habitat, Mission for Enhanced Energy Efficiency and Mission for Sustainable Agriculture.

- iv. Ensuring sustainable, inclusive and sustained growth requires, above all, meeting the region's food and energy needs. These are likely to be enormous given that Asia with an estimated population of 5.1 billion would account for 56 per cent of the world's population and 65 per cent of the population of the developing world in 2050. In India, we are in the process of enacting a National Food Security Act that would provide food security as a matter of legal entitlement to the disadvantaged sections of society. This is in continuation of our approach to empower our people with entitlements backed by legal guarantees. We have already in place a Right to Information Act, a Right to Education Act and a National Rural Employment Guarantee Act. We are also initiating a number of measures to make possible a second Green Revolution. To assist other Member States in the South Asian region, a SAARC Food Bank has been operationalized with a major contribution from India.

Similarly, meeting the energy needs of the region is no small challenge. Asia would have to ensure energy security by utilizing all available sources of energy including fossil fuels and renewable resources in an efficient and sustainable manner. There is considerable scope to cooperate in this area within the region.

- v. Managing urbanization and overcoming infrastructure constraints is another critical challenge. The Asian urban landscape is in for a gigantic transformation as its urban population is slated to double from 1.6 billion to 3.1 billion in the next four decades. Many of Asia's cities are already saturated and the deficit in civic amenities is likely to be grave. We must plan for mega cities and secondary cities to serve as growth centers. Projects aimed at greening our cities would have to proceed alongside. India has launched the Jawaharlal Nehru National Urban Renewal Mission, a massive city modernisation scheme, which envisages a total investment of over US \$20 billion over seven years. It aims at creating 'economically productive, efficient, equitable and responsive cities' by upgrading the social and

economic infrastructure in cities, providing basic services to urban poor and strengthening municipal governance.

- vi. Another area of challenge and potential alike is capacity building and skill development of Asia's vast human resource base. This will also help build more inclusive and socially cohesive societies. If Asia is to take leadership in technology and remain at the forefront of the knowledge curve, its human resources have to be highly skilled. A first-of-its-kind the National Skill Development Corporation (NSDC) has been set up in India as a Public Private Partnership (PPP) with the ambitious goal of training around 150 million people in various skills by 2022.

Excellencies, Friends.

- vii. Realizing the dream of the Asian century cannot be driven by each of us separately. We have to work together and in unison. Regional cooperation is needed to create synergies between the fast growing economies and neighbouring economies to push the entire region into a high growth orbit. The South Asia Sub-regional Economic Cooperation (SASEC) program of the ADB, the South Asian Association for Regional Cooperation (SAARC) and the Bay of Bengal Initiative for Multi-Sectoral, Technical and Economic Cooperation (BIMSTEC), the Indian Ocean Rim Association for Regional Cooperation etc. are some of the mechanisms which seek to accelerate the region's economic development. Let me add here on a personal note, it is my dream and hope to see the SAARC attain the level of cooperation which has been achieved by ASEAN. India's Comprehensive Economic Partnership Agreement and Free Trade Agreements with a number of Asian countries also facilitate greater trade and investments across countries and are primary steps in integrating financial markets and channelising investments in the region .

5. I am convinced that over the next few decades, we can and must build an Asia that will realize its true potential by exploring new frontiers of growth, enhancing sustainability of its resource use and cooperating more

closely to ensure prosperity to our people even as Asia's distinctive and rich culture as well as historical heritage is retained.

6. I would like to conclude by quoting from a speech given by India's first Prime Minister, Pandit Jawaharlal Nehru, a great visionary of Asian solidarity. These lines are as relevant today as they were in 1947 when he took the initiative to convene the first ever Asian Relations Conference in New Delhi. I quote,

“there is a new vitality and powerful creative impulse in all the peoples of Asia. The masses are awake and demand their heritage. Strong winds are blowing all over Asia. Let us not be afraid of them but rather welcome them for only with their help can we build the new Asia of our dreams. Let us have faith in these great new forces and the things which are taking shape. Above all let us have faith in the human spirit which Asia symbolised for these long ages past.”

Thank you.
