
*Prime Minister's Keynote Speech at Plenary
Session of World Economic Forum, Davos
(January 23, 2018)*

Excellencies, Ladies and Gentlemen,

I am happy to be here in Davos and address such a distinguished audience.

Let me begin by commending the vision and vigor of Professor Klaus Schwab.

My salutations to this impressive gathering of leaders from various walks of life.

The Energy of Ideas and the Warmth of Goodwill generated here has the capacity to shape the future of the world. This is an important platform for creating a shared future. It is amazing that you do so even by disruption.

My congratulations to you all. Global economic activity is on the course of gradual improvement. There are good signs both in the growth of the world GDP as well as activities in trade and industrial production, coupled with strengthening business and consumer confidence.

My best wishes to all of you!

I would also like to thank his Excellency Mr. Alain Brest, the President of Switzerland for the warm welcome extended to us by the Government and people of Switzerland.

Friends!

The theme of this year's World Economic Forum is very relevant. It places the spotlight on the challenges facing the humanity. The sound and meaning of the word 'Fracture' is such that it frightens. And the global situation is actually frightening.

This fracture can be seen at various levels in various facets. However, in the present context, I would list only a few:

Fracture in human relationships: at the level of individuals: To my mind this is the most dangerous. It all starts in human mind. All other problems arise from here.

In today's time, in the first instance, it appears that media; especially the social media is connecting us. However, it's just connecting; not integrating. We are mostly talking. Not listening! We share news and views but we don't share the vision. Now, we only forward the New Year greetings! We don't write or convey verbally! By the way, Happy New Year to all of you!

Second is the fracture within the Nations: Lack of understanding among interest groups and communities. There are obvious inequalities in incomes and opportunities. There are disparities and divides in distribution of assets and resources. But patience has given way to passion. Everyone is trying to outdo and overpower the other while staking claim to amenities and entitlements.

Third is the fracture at the International level. To my mind, presently it has acquired very serious dimension.

There is also a fracture between the present and future. There is a divide between the requirements of today and the needs of conservation for future.

In short, the challenges are multi-faceted and they are all around us. However, the only hope is that we all want to tackle them. We want to see a co-operative, harmonious, sharing and caring world. In fact, this is where the hope lies.

But, unfortunate part of human life is that we allow things to be broken. Then we start retrofitting. We first tear it; then put the stitch. By that time, many times, it is too late. In international arena, there are many such situations today where we don't know now what to do.

The real strategy would be not to let the fracture happen to the extent it does.

Friends!

Addressing the fracture at the individual level is most critical and most difficult. The fracture or rupture first happens at the level of human mind and heart. I can say with full responsibility that India has learnt to work on the level of mind. In our culture, it is accepted that, "जहाँ सुमति तहँ संपति नाना। जहाँ कुमति तहँ बिपति निदाना।।". This, in short, means that good thoughts produce good results; bad thoughts give bad results. Hence, India is the land which has the solution for this all pervasive problem of fracture.

We have always believed that victory over oneself is the biggest victory. The first and foremost in this it is the victory over mind; control over mind. This is our soft power; in fact, our real power. Now, the whole world has started recognizing it.

In fact, India has also believed in Samagrata or Purnata which is wholeness (ॐ पूर्णमदः पूर्णमिदं पूर्णात्पुर्णमुदच्यते पूर्णस्य पूर्णमादाय पूर्णमेवावशिष्यते).

It means that the universe and all its creation and beings are always complete in themselves. Because they represent the almighty who is always complete.

For us the reality is one; only its descriptions are numerous. In terms of physical world also, ages ago, we echoed the same thing by saying "Vasudhaiv Kutumbkam".

Though there were hardly any means of reaching from one part of the world to another; still the feeling of oneness existed. This is because the spirit of co-existence was strong enough to overcome any barriers of knowledge or distance. The search for peace in the universe was paramount. This is the reason that our sacred prayers always end with a prayer for peace. Not only that a meaningful prayer always starts with a prayer for wellbeing of all. Fracture or Violence; fear or force is far away from our ethos. We do not venture or advocate violence even through words or mind leave alone deliberate action. And in fact, violence or damage is not thought even towards the nature, including trees and animals.

That is why, India has always seen the domestic and the global as mutually reinforcing and inseparable parts of the same organic arrangement. We rush to help people in need whether in neighborhood or far away locations. We have fought wars when no strategic interests of our own were involved. We believe that there is a higher cause and there is a higher duty than what we do in normal times.

I will give some more specific examples.

- *Since generations, we have believed that all resources and all wealth belongs to the Nature and the Almighty. We all including the Presidents, and Prime Ministers; Kings and Queens are just the trustees or managers of this wealth. The biggest recent advocate of this trusteeship philosophy was Mahatma Gandhi;*
- *Gandhi Ji also used to say there is enough in Nature for your Need; but not for your greed;*
- *Due to this belief, we have learnt to live in a way that is conducive to existence of man vis a vis man as well as Nature; which is conducive to the needs of today as well as next generations;*
- *There are teachings, techniques and teachers to guide and guard us so that a false sense of ownership does come in our mind. This only eventually leads to greed, pride and ego (lessons on Gyan and Vairagya);*

- *And if such evils do crop in into our minds, there are ways and processes to get rid of them and purify the human mind and soul;*
- *The techniques of Ashtang yog and Meditation are important enablers in that direction.*

Ladies and Gentlemen!

Now, I will come to the second level which fracture within the territories of nations. Our belief system also gives rise to the principles and practices which are necessary for a happy and harmonious human existence. I am proud to say that India's democratic traditions and modern day institutions are just an offshoot of this belief system. Today, India is the largest democracy on the planet earth. At the same time, the people of India, in recent months, have also shown that though it is a democratic and federal polity; a vast geography and a diverse society, it is a very dynamic and decisive democracy.

You might have seen in the recent past that more than 1.25 billion Indians accepted in one voice and moved towards a less cash society and a unified tax system in the form of GST. These two historic decisions happened one after the other and in less than a year's time. We are now a financial system which is fully prepared and integrated for digital transactions. All this has fulfilled our dream and your desire of India as one nation, one tax. It has also started a fresh journey towards a modern tax regime that is transparent, stable and predictable.

It is a matter of great satisfaction for us that the.

- *Largest Democracy on earth is also the fastest growing major economy;*
- *The most diverse society is also a very decisive polity.*

Thus, one sixth of global community which lives in India and which is a very diverse society has a common vision; for a shared future. This is our real strength. We are trying to harness it and strengthen it further.

- *Unity in diversity is our old order;*
- *Sabka saath sabka vikas is our present practice.*

With this, I can say with confidence that Democracies can, will and must work in the years and decades to come.

Ladies and Gentlemen!

Let me now come at the international level where the fractures and fault lines are really frightening.

The biggest reasons for fracture at the international level are: Control of Territories: Both Direct and Indirect; and Control of Transactions: including cross border trade and movement of people;

The first concerns us- the politicians and the other concerns the business community. But both affect the common man and woman. And both are just for acquiring more and more power as well as resources. All this arises out of ego or greed. All this was still understandable and has been happening throughout the modern human history. But today, the ego and greed is being wrapped into a nice wrapper of so called principles of faith or creed.

However, for us in India, our same belief system of co-existence is reflected in our approach towards many of the Global issues. I would like to mention two most pressing issues which have the capacity not only to fracture but also to frustrate many good things which human race has achieved.

The first is Terrorism. Because of our belief in co-existence of races and religions; and because of our belief in non-violence, we have always opposed terrorism. I say with full conviction that terrorism is bad in all its forms and facets. It is bad irrespective of its territory of origin or target of operation. We all must unite in fight against terrorism. India stands firmly with all such forces. I must also take the opportunity to appeal to all of you to see that such groups do not get money, arms and ammunition. It cannot be a good business to do business with such elements. We all know that, without peace, progress and prosperity is not possible.

The second global challenge is the problem of climate change. In our culture, we treat the Nature as mother. We also believe that man only has the right to milk it; not to destroy it. That is why, through Paris Agreement, we have assured the global community that our development process would be entirely in line with our cultural ethos towards environmental safeguards. In fact, we are not only aware of our responsibilities towards climate change; we are willing to take lead in mitigating its effects.

To demonstrate sustainability of our development process, we have made major commitments and achievements in renewable energy. We have planned to draw 175 GW of energy from renewables by 2022. This includes 100 GW from Solar Energy and another 75 GW from Wind and other sources. We have added more than 14 GW to solar energy generation which was just about 3 GW three years back. With this, we are already the fifth largest producer of solar energy in the world. Not only this, we are also the sixth largest producer of renewable energy.

I am also happy with the fact that with our efforts, an international treaty based organization, called the International Solar Alliance has taken shape. The ISA has been

conceived as a coalition of countries which are rich in solar radiation. The effort is to make them engage with each other to mitigate the hurdles and promote the enablers in solar energy. At present, 121 countries are its members. 48 countries have now signed and 19 have ratified the framework agreement. Thus, it has already come into force.

Ladies and Gentlemen!

If we are really serious about strengthening co-operation and satisfaction in the global community; we particularly need to address the issues facing the youth. The rapid rise and spread of radicalism among youth in different societies is endangering the security and stability of many regions. People sitting here can help a lot in this direction. You can create and facilitate gainful employment and engagement for the youth. We must demonstrate by action that new technology will not take away jobs. Rather, it will create new jobs in newer areas and manners.

We need to create a caring and concerned society. We have to think of the ways where the commercial set up can be used to create a considerate civilization not just competitive corporates. Corporate social responsibility is an old word. But try to give a new meaning to it; try to give new message through it. I will repeat what I have been saying since long. You cannot continue to sell unless you enhance purchasing power of the common people. We cannot keep producing goods; without producing good income.

Ladies and Gentlemen!

I am sure you already know a lot about us. There are enough reasons for India to be known globally. The most important reason is that it is an Attractive business Destination along with its Vast Market and strong and stable fundamentals. I would therefore take a few minutes to talk only what we are doing currently. In recent years, we have tried to strengthen and build upon India's basics further.

Our present development agenda is based on FIVE PILLARS.

First and foremost, we do understand that our systems need to change. Hence, we are persisting with far reaching structural reforms. Thus, our first pillar is our mantra of reform, perform and transform. Our reforms have touched almost all sectors. This specially includes: formalizing the informal economy through demonetization and digital transactions, direct tax reforms and expansion of the tax base, banking reforms, DBT through UID and Bank accounts, minimizing discretion, combating corruption and controlling inflation. Also, we have consistently reduced fiscal deficit and current account deficit.

Over the last three years, we have particularly resolved a number of regulatory and policy issues facing businesses, investors and companies. Another good element of this reform

process is that the States are also forthcoming. They have started competing for doing better and better. We call this process "competitive federalism."

In this direction, we have also undertaken bold FDI reforms. More than 90% of the FDI approvals have been put on the automatic approval route. As a result of these changes, there has been a sharp rise in FDI in the past three years—from 36 billion US Dollars in 2013-14 to 60 billion US Dollars in 2016-17.

Second, we are using Technology to transform governance and deliver public entitlements and services. I have been saying that e-governance is easy and effective governance. I am happy that increasing number of Departments and State Governments are deploying technology and ensuring time-bound decision and delivery. We are promoting an eco-system of creativity and innovation in every field. At the same time, we are keen to maintain speed and scale of things being implemented.

Third, is significant upgrading of the physical infrastructure including roads, railways, air and sea ports. The scale and scope of this task is immense. To mention a few, our Sagarmala project seeks to connect our long coastline and ports to the hinterland. Similar is our focus on development of regional airports. Our objective is to reduce the logistics cost transaction time for various activities. Also, improvement in infrastructure have already enthused people as they are beginning to see a qualitative change in their lives.

Fourth, we are also aware of the urgent need to upscale and improve the rules governing economic activity. We need to be fully integrated with the world in major policy areas. May be it is the regime of entry and exit of businesses, for IPRs, or arbitration and commercial adjudication, we have moved very decisively to brush up the framework to bring them in line with global best practices.

The fifth pillar is inclusive economic development. As I said, the biggest reason for fracture within the countries is inequality and disparity leading to divide and dis-trust. But we believe in

"ॐ सर्वे भवन्तु सुखिनः । सर्वे सन्तु निरामयाः । सर्वे भद्राणि पश्यन्तु । मा कश्चिद्दुःखभाग्भवेत् ।"

Personally, I have always said that development process should be inclusive and encompassing. We have tried in our own way to bridge the income and opportunity divide. For example:

- *When we facilitate Industry and services by creating ease of business; it is for job creation for millions of our youth;*

- *When we announce and work on Make in India and aim at making India a global manufacturing hub; it is to create job opportunities for millions of workers;*
- *When we implement Digital India programme; it is to bridge the digital divide which has become an important consideration in this age;*
- *When we work on the skill India programme; it is to give skill set to the unskilled and semi-skilled work force which is a source of divide in the society;*
- *If we unleash a wave of start-ups; it is to create employers along with employment;*
- *If we open bank accounts of 310 million (31 crore) unbanked people; it is to bring them in financial mainstream;*
- *If we deploy technology for targeting of beneficiaries and direct benefit transfer; it is to eliminate middlemen from the system of government subsidies;*
- *If we appeal to the well to do people to surrender subsidized cooking gas; it is to support those who do not have cooking gas connections;*
- *If we decide to electrify all remaining villages and households: it is to see that quality of their life changes for ever.*

Friends!

To bridge the imbalance and divide, we have to do a lot and have to do it fast. To give you a few examples:

- *We have to build 50 million houses for the poor and houseless;*
- *We have to build metro rail systems in more than fifty cities to promote public transport.*

The range of our requirements is very big. We have to go horizontal as well as vertical.

- *From distribution of LED bulbs to laying down heavy transmission lines;*
- *From cooking gas in every kitchen to National gas grid and LNG terminals;*
- *From Water tap in households to waterways ad pipelines;*
- *From roads in villages to Bharatmala road network garlanding the borders of the country;*
- *From laying and electrifying railways to building modern townships over 400 stations.*

The needs of our fast track development process are lifetime opportunities for the companies in various fields.

- *India's steel consumption is 60 kg per person, against a global average of 218 kg per person.*
- *India's per capita electricity consumption at 1100 kWh is the lowest among BRICS nations and is just 1/3rd of the world average.*
- *Similarly, in India, vehicles per 1000 population is 25 against around 500 of European countries. (134th place in world and lowest in top 10 car making countries)*

Think of the revolutionary effect which Industry will have if 1.25 billion people start consuming at par with or closer to the world average in some of these sectors.

Thus, India gives a great scope and opportunity to all kinds of ideas and concepts to flourish and investments to fructify.

Our Government agencies are finding innovative ways to create a business friendly environment. We have now developed the digestive capacity for various technologies. Our young people have already distinguished themselves in the realm of technology, innovation and entrepreneurship. And we are benefitting from their experience at home also.

Ladies and Gentlemen!

India is an investment in future. You will agree with me if I say that:

- *We are a vibrant and youthful society moving towards a knowledge based economy;*
- *India houses a large number of Tech manpower, Institutions and R&D centers;*
- *We are moving towards becoming a five trillion US dollars economy by 2025;*
- *We will become 3rd largest consumer market in the World by 2025;*
- *According to the World Bank and IMF our growth rate is going to be steady and high;*
- *India ranked 3rd in WEF's list of most trusted governments in 2017;*
- *We are a deep rooted Democracy; openness, predictability of policies and rule of law is ensured;*
- *Many International agencies and consultancies have recognized this stability;*
- *Global rating agency Moody's has upgraded India's rating on account of its economic reforms;*

These are a few examples I narrated just to show the direction of our society, polity and economy. We are building a NEW INDIA where one sixty of humanity is combined and committed to get good administration and better amenities for a better quality of life. This is not a co-incidence. But an outcome of persistence of the people of India to get what they actually deserve. And we will get that sooner than anticipated.

Hold on. One more thing! India's Family system and our Guru-Shishya traditions are the biggest examples of a wholeness and completeness. They are sustaining our culture of shared vision, healing hearts and caring community.

It is India where our oldest scriptures say and we follow: " ॐ सह नावतु / सह नौ भुनक्तु / सह वीर्यं करवावहै / तेजस्विना वधीतमस्तु मा विद्विषावहै ।" This means: May we all be protected. May we all be nourished. May we work together with great energy. May our intellect be sharpened.

Thus, India offers you everything that you seek from and for your life.

Therefore, my advice to you is that:

- *If you want wealth with wellness, work in India;*
- *If you want Peace with Prosperity, live in India;*
- *If you want Health with whole life, be in India.*

And our promise is that your agenda will be part of our destiny. We both will have a shared and successful future.

Thank You!

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