

**SPEECH BY THE PRESIDENT OF INDIA, SHRI PRANAB
MUKHERJEE AT THE INAUGURATION OF THE 98TH ANNUAL
CONFERENCE OF THE INDIAN ECONOMIC ASSOCIATION**

Hyderabad: December 27, 2015

I am delighted to be amongst you today at the inauguration of the 98th annual conference of the Indian Economic Association (IEA). I have had a long association with IEA and, therefore, when an opportunity presented to renew that association, in the form of an invitation from Dr. Kaushik Basu to inaugurate the present session, I readily accepted. I fondly recall having inaugurated the 1998 session at Kolkata also.

2. I am told that the Indian Economic Association is beginning its centenary year celebrations from January 2016. It is indeed a proud moment for any organization, especially an academic one like IEA, to have held all annual sessions, excepting one, for close to a hundred years now. I congratulate all of you on this feat and extend my best wishes for your centenary year celebrations. Having started in 1917 with Prof. Hamilton as its convenor at Kolkata, IEA has indeed come a long way with the association of economists like Dr. Manmohan Singh, Prof. Amartya Sen, R.K. Mukherjee, C.N. Vakil, D.R. Gadgil, P.R. Brahmananda and Alakh Ghosh, to name a

few. I have had the privilege of having known most of them closely, especially Dr. Manmohan Singh and Alakh Ghosh.

3. It gives me immense pleasure to see the seminal work that the Indian Economic Association and its journal have been doing in the area of policy planning in the country. I recollect, from my days in the Ministry of Finance and in the Planning Commission, how all top economists associated with public policy planning in the country were associated with the IEA and how important a role they played in shaping policy prescriptions for the economy.

4. The Constitution of IEA lists the objective of the Association to promote the study, teaching and research of Economics in general and to study the problems of the Indian Economy, in particular. It is heartening to see IEA fulfill that objective in a fruitful manner. Besides the annual conference, the regional and state level conferences and seminars that are organized by the IEA help in providing a policy direction to the state and local governments too.

5. I feel that the themes chosen for deliberation in this conference, with a focus on growth with equity, job creation and human development, are all highly relevant to the economic scenario in India today. When one talks about education and skill development, we feel a sense of pride when we look back at India's history. India, in the ancient past, had been the front runner in education and universities like Takshila and Nalanda had been centres of higher learning for students from India and neighbouring countries. With over 700 universities including 44 central universities and around 36,000 colleges, India at present has one of the largest higher education systems anywhere in the world. It is equally, however, a matter of concern that till very recently we did not have a single university figuring in the global top 200. It is only now, after concerted efforts and policy interventions that two of our institutions - Indian Institute of Science Bangalore and IIT Delhi - have broken into the top 200 globally in September this year.

6. The need of the hour, therefore, is to focus not only on education per se, but more importantly on the quality of education. The debate becomes even more pertinent when one talks of it in terms of accessibility, on the one hand, and privatization and globalization of higher education, on the other. I am, therefore, glad that the IEA has taken up this topic for detailed deliberation.

7. Equally importantly, when we talk of quality of education, skill development is an inherent part of it. Given our population structure, its diversity and vastness, a degree catering to a 'one size fits all' prescription no longer works. Skill development is directly related to the employment prospects of our youth and, therefore, the focus has to be on providing quality education with skill development.

8. While these measures aim at increasing employability, the emphasis also has to be on providing adequate employment opportunities. Growth would be meaningful and inclusive only if it results in improving the standards of the last man, as welfare

economists are fond of saying. India is a young nation. With the bulk of our population in the working age group, it becomes imperative for government and the policy makers to come up with policies for achieving growth with job creation. The Indian economy is a resilient economy—it has withstood the US financial crisis and the Euro Zone crisis with minimal economic downturn. We now need to capitalize on these inherent and intrinsic strengths and create not only more jobs for our youth but also an entrepreneurial eco-system. Youth today does not wait for opportunities, but creates them; the number of start-ups and their annual turnovers are clear indicators in this direction. We have Sundar Pichai and Satya Nadella rising from the Indian educational system and heading top global companies. We need to strive to create such employability for our youth on domestic soil too and this would be the litmus test for our economists and policy planners. The Government's '*Startup India, Standup India*' programme aims to do precisely this and I am hopeful that associations like IEA, especially the deliberations of the present conference, would provide the necessary prescriptive in this area.

9. Related to growth and job creation is the aspect of growth with equity. Growth which favours the top deciles or an even lower proportion of the population can never be sustainable or desirable.

Balancing growth with equity and social justice is a fundamental requirement of our democratic polity. A careful study of not just income disparities but also of their source is required. That is the urgent task for economists to undertake. On the policy side, government has taken several measures such as '*Make in India*' aimed at making our manufacturing sector more competitive while providing indigenous employment opportunities with a resultant reduction in income disparities. The '*Digital India*' programme aims at bridging the digital divide. Schemes like the '*Pradhan Mantri Jan Dhan Yojana*' aim at financial inclusion, with a view to ensuring that the poor and disadvantaged are not left out of the benefits of economic growth.

10. The fourth theme of this conference is the focus on human capital development measures. Building on the successes of the Millennium Development Goals (MDGs), the Sustainable Development Goals set out an ambitious and admirable set of 17 goals and 169 associated targets to be achieved by 2030, including

the end of extreme poverty and hunger everywhere, gender equality, ensuring healthy lives and quality education; and reducing inequality within and among countries, amongst others. The Paris Declaration or the green proposals, as they are called, for attaining socially just and environmentally sustainable livelihoods, shows the commitment of the world economies to the cause of environment. India being an important world player has to play a critical role towards attainment of these SDGs.

11. I am confident that the deliberations of this conference will provide valuable policy inputs to think tanks, trade associations and government at large. IEA's regular interactions and participation in the International Economic Association's activities, specially with Dr. Kaushik Basu now being the President-elect of the International Association, will provide a great platform for Indian researchers to come up with policy prescriptions relevant to both India and the global economy.

12. With these words, I formally declare the 98th session of the Indian Economic Association (IEA) open and wish its deliberations all success.

Thank you!

Jai Hind!

