

**86th Annual General Meeting
December 21, 2013, New Delhi**

Valedictory Address by Mr Rahul Gandhi, Vice President, Indian National Congress & Member of Parliament

Thank you, Madam President and members of FICCI, for inviting me to speak to you today.

You represent the great entrepreneurial skills that our people possess. The businesses you have built are symbols of the immense potential that lies at the heart of India.

Let me begin by acknowledging that my last quarter results have not exactly been resounding. I now know how it feels when you have to go to your AGMs with bad news.

The recently held elections have made their point. We need to have the foresight and humility to accept the messages being expressed to us without resorting to the usual props of statistical data and excuse making.

A political party's strength lies in the voice of those it represents. We will listen to the voices we represent. The Congress Party has long prided itself in this very ability and used it to rise from adversity time and again. We will renew ourselves. And will fight strong and confident in order to protect the values of tolerance and compassion that are the essence of India.

You are stakeholders of the Congress Party. Our bonds with you date back to 1931 when Mahatma Gandhi addressed FICCI's fourth Annual Meeting. We have charted the growth of our nation side by side. You understand the global economic environment well; listening to your voice and heeding it is imperative.

Over the last few months, many of you have spared time to meet with me and discuss your views. For this I am grateful.

I am in complete agreement with the need for the regulatory system to be rapidly and radically modernized.

Frankly, there are no excuses for the length of time required to clear some of these projects. We are a fast moving economy. We cannot allow you to be held back by slow decision making. Accountability has to be clear, fixed and time bound.

The Cabinet Committee on Investment and the Project Monitoring Group are a recognition of the need to fast track clearances. Some 300 projects with an investment of over Rs. 5 lakh crores, about 5% of GDP, have been cleared. Sectors affected by

delays in clearances such as power, petroleum and mining have been the biggest beneficiaries of this focused approach. Of course, many projects are still stuck - some for good reason and some for no good reason at all.

However, much of the information about these cleared projects remains obscured from the public domain. Unfortunately, good news about this government doesn't seem to sell newspapers these days.

Many of you have expressed your frustration with environmental clearances that are delaying projects unduly. There is excessive administrative and judicial discretion. The loopholes are so big you can drive a truck through some of them! Environmental and social damage must be avoided, but decisions must also be transparent, timely and fair.

Accessing land is difficult and time consuming. It's a struggle. The black market in land has got to go. We need to build a robust and open real estate market, so that businesses, especially small startups, have affordable access to land.

The UPA Government is considering a Natural Resource Investment SPV. The idea is to obtain all clearances before auctioning projects to private players. This is a powerful and innovative idea.

Corruption is bleeding our people dry. It is an unacceptable burden on the people of our nation. We must fight corruption with all our strength and determination. Recently, we have been able to ensure that convicted criminals are kept out of Parliament. In the process, I got to learn that it is not polite to ask that ordinances be torn and thrown into the dustbin!

This week, we took a huge step. We passed the Lokpal Bill. But, as I have said on numerous occasions, we need to go further. The Congress Party has developed a framework against corruption. I have appealed for the passage of six critical anti-corruption bills through Parliament. Let me tell you about two. The amendment to the Prevention of Corruption Act will protect honest officers and be much more effective against those who are corrupt. The Grievance Redressal Bill will ensure that every citizen has the right to timely delivery of goods and services by their government. It includes a mechanism to redress their grievances in the event of any lapse.

This government has done more than any other government to combat corruption. The Right to Information Act has been our most powerful weapon in the fight against corruption. The power of information is finally in the hands of the people. This has created a paradigm shift. Few governments have had the courage to enact legislation that rendered their processes more transparent and open to scrutiny. I am proud to say that the RTI has shown all concerned the writing on the wall and, in some cases, it has shown them the wall of Tihar Jail!

I would now like to talk about some key policy areas.

We desperately need better knowledge and innovation systems. We need you to increase investment in education and R&D. Most importantly, we need to rid ourselves of the idea that academia and industry are separate silos. We need to drastically upgrade the skill level of our people and simplify our processes.

India has the brightest youngsters in the world. But let me be blunt - our current education system does not do them justice.

There has been a massive scaling up of investment in education and training. But we need to do much more. This is the land that produced Buddha, Kabir, Tagore and Ramanujan. We have to produce many more world-class scientists, artists, and philosophers.

Over the last decade we have achieved the fastest economic growth in the history of India. Despite global headwinds, Indian industry has sustained growth because of the energy of our business community. The political stability and rational policy environment provided by our governments also made this possible.

We believe that economic prosperity must include everyone. Poverty is neither befitting of human dignity, nor is it conducive to good business.

I would like to state clearly that poverty cannot be fought without growth. Maintaining robust growth has enabled the UPA Government to invest in people. In ten years almost a third of India's poor have risen above the poverty line.

There is a view that our investments in food security, employment guarantee and rural development are a drag on economic growth. I don't believe there is a trade off between investments in the social sector and economic growth. It is today's investments in people that create tomorrow's markets. It is today's markets that allow us to invest in our people's future.

A mindset revolution is the fuel for economic growth. Today self help groups have shattered the hold of moneylenders. They have enabled millions of women to seek credit to finance their aspirations. They are the new age customers for the banks. Women now claim credit as their right and see it as an opportunity. Such mindset changes are the result of years of sustained political effort and investment in people -- in their education, their health, in rural infrastructure and job creation.

The most important thing that we have to do is to create fulfilling and rewarding jobs for our youngsters. Those who are poor, those who belong to the middle class and those among the 700 million people above the poverty line but below the middle class threshold. These are the craftsmen who are building India.

India must become the global leader in manufacturing. This has to be one of our core missions. Let's target growing the manufacturing sector to 25% of GDP generating 100 million new jobs in the next decade. I sincerely believe that this can be done. The dramatic improvement we need in productivity demands that we provide the right enabling environment.

This will require the political will to make difficult reforms in labour laws. Old labour laws have forced businesses to use contract labour. As you know, they are often underpaid and unprotected. India needs a modern and flexible labour market where labour has a fair share and is protected by international labour standards.

We must reform the power sector and ensure that businesses have reliable and affordable access to power.

While absorbing the latest technologies from around the world, Indian manufacturing must also be built around Indian patents.

We have to open up our manufacturing sector and foster competition.

The Industrial Corridors - Delhi-Mumbai, Mumbai-Bengaluru, Bengaluru-Chennai and Ludhiana-Kolkata will revolutionize high value added manufacturing and provide millions of jobs.

Agriculture is an equally high priority. We are on the threshold of a second Green Revolution. Price realization and improved productivity have raised farm wages significantly in the last decade. We have made greater investments in critical areas such as micronutrients, micro-irrigation, satellite weather forecasting and access to affordable credit to farmers. Our efforts to raise productivity and farm income will continue unabated.

High inflation on the back of high food prices is an immediate concern. It has stretched household budgets and constrained industrial growth. It hurts our people everyday. Beating inflation is our top priority. We must crack down on hoarding and profiteering. We must ease infrastructure bottlenecks and rapidly modernize the supply chain from field to plate.

Now, a little about politics.

Around the time Mahatma Gandhi was making his address to FICCI in 1931, the dark shadows of fascism had begun to spread over Europe. A party built on a divisive ideology full of hatred, arrogance and misguided notions of superiority plunged the world into a war that brought Germany to its knees. Millions of people were killed and communities impoverished. Businesses were destroyed.

What our people understood intuitively, but the Europeans of the 1930s did not, was that wealth cannot be constructed on poverty. Peace cannot be constructed on conflict. Societies cannot be built on injustice and hatred.

India's democracy has never been more vibrant.

What will India look like when she celebrates her hundredth birthday?

Our vision for India is of a country whose economy would be the largest in the world, second to none. Our vision is also of an India which would have deepened its democracy to the grassroots; a democracy where every citizen would have voice in government. Where power would have been devolved to the lowest levels, to elected bodies. An India where every political party would be truly representative and truly democratic.

But above all our vision is of an India united by compassion, not power; living in harmony, not in hatred; thriving in peace rather than suffocating in conflict; filled with humility, not with hubris. Where poverty has been confined to the dustbin of history. An India where government serves the people rather than people serve the government.

The central mission of the Congress was defined by Gandhiji as the industrial progress and prosperity of India.

The Congress mission is anchored in a simple idea. It is not a new idea. It is an ancient Indian idea - an idea where humanity is united in love, compassion and harmony. And in this great, great country of ours it always has, and always will, trump hatred.