

Thank you for inviting me to address the Wharton India Economic Forum. It is an honor to interact with such an audience.

There is something that is troubling me. Therefore, before I start speaking on this topic, I would like to get it out of the way. I am not a supporter of Mr. Modi. In fact, I don't agree with him on many things and have publicly opposed him on many occasions. However, I would like to put on record my dismay at the cancellation of his invitation to speak at this forum.

My unease is on three counts.

Firstly, to issue an invitation and then cancel it under pressure is not right. It is very wrong. It is unbecoming of an institution carrying the respected Wharton name.

Secondly, those who refuse to listen to people they do not agree with, they lose an opportunity to learn and grow.

Thirdly, this refusal to let him speak goes against the very principles of free speech we are all fighting for.

Well, I am glad that I got this out of my system. Now, to the main topic.

First I would like to briefly explain why we decided to enter politics:

We are not politicians. We are very ordinary middle class people of India. We were living our ordinary lives till just about a few years back. Fed up of corruption, we started a peaceful, non-political movement against corruption under the leadership of our respected Anna Hazareji. Millions of people came on the streets. What were the people asking for? A strong law against corruption - to ensure that corrupt people were punished. For 2 years, we pleaded before all political parties. Annaji sat on anshan 3 times. I sat on Anshan once. But none of the parties agreed. Why? Because many of those sitting in Parliament, cutting across party lines, are themselves involved in corruption. The top leaders of many political parties are themselves involved in corruption. They would never pass a strong anti-corruption law. We realized that nothing would

change unless good and honest people entered the State Assemblies and the Parliament. We realized that nothing would change unless the politics of this country were cleansed.

Everything is related to politics. Today, education is in shambles because politics is bad, health services are bad because politics is bad, infrastructure is crumbling because politics is bad. Unless we cleansed the politics of our country, nothing would change. That's the reason why we entered politics.

I do not think India is a terrible place. I think we Indians are first class people. When Indians go abroad, they have excelled in every field, be it US, UK, Singapore, Japan, Middle East, anywhere in the world. Wherever Indians have gone, they have conquered. But in our own country, we live like third class citizens. Indians are first class people who are victims of third class governance. The politics of our country is rotten and corrupt to the core. If the politics of this country improves, India would shine in the whole world.

That's the challenge we have taken – to cleanse the politics of our country.

And we have done it at great cost to our personal lives.

Purnam Allahabadi's words describe our feeling well:

“Andhera ayatha mangne roshni ki bheek, ham apna ghar na jalate to kya karte”.

The darkness had come, begging for light. We had no alternative but to set our house on fire.

India is crying for change. We have taken up this challenge and here we are.

From childhood, we are told that India is a democracy. If you ask how is it a democracy, we are told because every five years, we elect our representatives. Is merely voting once in five years democracy? I don't think so. Because once elected, the representatives, the politicians behave worse than dictators. They enjoy absolute powers. Between two elections, citizens can only plead

and plead before those who they voted to power. In my view, people should have direct say, at least in the affairs of their villages and colonies.

Our entire system of governance needs to be turned on its head. Currently we have a top down system. All decisions are taken at the senior-most levels and are issued as diktats to those at the receiving end.

In US, you have town hall meetings where people assemble at regular intervals and take most of the decisions about their towns, cities and counties. In many states in the US, people even have the power to enact their own laws through referendum. Why can't these rights be available to Indians?

We would like to empower the local people who are most affected by what happens at their level, to take decisions which have an impact on them, locally.

For instance, why should the village school not have any teachers because the state education Minister does all recruitment and he is not bothered about one village? Why can't the power to recruit teachers be given to the local people themselves? Why can't the villagers get together, form their own committee, and this committee could then recruit teachers for their local school? The same could apply to other things such as water supply, local hospital, roads, irrigation and so on. Why can't the villagers themselves have direct control over their village affairs?

Therefore, the core of our vision is simple – give power back to the people.

Now, let me turn to our economic policies. Till 1991, everything was being run by the government. We saw how the government was inefficient and corrupt. In 1991, this argument was used to privatise everything. Since government is corrupt, privatise everything – that was the argument used. In the name of privatization, practically everything was handed over to a few corporates, who are believed to be close to all political parties.

I do not wish to underestimate the achievements made in the last twenty years. But can we overlook the involvement of some of the biggest business houses in most of the recent scams? And in most of these scams, we found that the top political leadership was either directly responsible

for a scam or it was in collusion. When the scams surfaced, the government did everything to cover it up.

Let me give you an example. A media channel did a sting operation a few days back on three Indian banks. This shows videos of bank officials confirming that they will accept huge amounts of unaccounted cash and launder it. The sting video also shows that these banks have huge lockers in their premises where the unaccounted cash of the top and mighty people is kept.

What was Indian Government's response? Did the Indian government prosecute the CEOs? No

Were these banks fined? No

Were the lockers raided? No

Nothing happened.

There was a similar case in US where HSBC was caught laundering money. What was US government response? The U.S. Government fined the HSBC bank 1.9 Billion Dollars for similar money laundering.

When Indian Finance Minister was asked about the action taken against these banks, he said "I have spoken to the Chairmen of the Banks". Wow. What an amazing anti-corruption system? What an amazing criminal investigation? Government of India seems to have outsourced their criminal investigations to the criminals themselves.

So, what lessons do we draw?

The first lesson is that you need an honest government to monitor and regulate private sector. The argument that since the government is corrupt, so lets privatise everything, this argument hasn't worked. We can no longer side step the issue of governance. If you have good governance, you would get good services, whether they are in private sector or government sector. And if you have a corrupt government, you would get bad services whether it is in government or private sector.

The example of Delhi Metro shows how efficiently a government agency can handle a project. The mess created by the private water and power distribution companies in Delhi and the innumerable

scams unearthed in recent times show how inefficient and corrupt the private sector can be. The reverse is also true.

Therefore, you need to put right kinds of laws and an efficient and honest law enforcement system in place before you go in for large scale privatization. Make strong and appropriate laws against corruption. Lay down transparent and easy to comply rules for doing business. And set up independent, efficient and honest law enforcement agencies to implement those laws. We need to create an honest environment for people to do business. Honest business should flourish. And there should be swift, certain and exemplary punishment for those who are corrupt.

The second lesson is equally important. All the policies in the last twenty years were meant to favor big business. In most cases, the policies were directed towards killing small business to favor certain big business houses. India is a country of entrepreneurs. Indians are born entrepreneurs. Every farmer is an entrepreneur, a rickshaw puller is an entrepreneur, a hawker, a trader is an entrepreneur. Every woman and a child in a poor family is an entrepreneur. Rather than encourage their spirit of entrepreneurship, rather than increase their incomes through appropriate policies, the governments have sought to snatch away whatever little they had. For instance, lands are taken away from very poor farmers and handed over to builders and property dealers. A farmer is paid a few lakh rupees by way of compensation. How do we expect that farmer to lead the rest of his life with that small money? He does not have the capacity to start a new business with that small money. Government's trickle down theory has miserably failed. Evidence shows that the gap between the rich and the poor has increased. Poor has become poorer and rich have become richer, which means that wealth is actually going from poor to the rich people. Wealth is not trickling down but gushing up. These are the signs of exploitative systems.

Let me present two situations before this august audience and what was the government's response to these two situations:

1. Electricity is distributed by a big corporate house in one state. This corporate house presents a completely bogus loss of Rs 20,000 crores (Rs 4 billion) in the last two years. Evidence indicates that this entire loss is fraudulent. The Chief Minister of this state does not order an audit of these accounts. Rather, she immediately gets worried, loses her sleep and is willing to do everything including increasing electricity prices to plug this loss.

2. In sharp contrast, let's take the case of paddy growing farmers in another state. According to government's own records, it costs Rs 1560 to grow one quintal of paddy in that state. And government buys it at Rs 1280 per quintal from them. The government is not even willing to pay cost price to the farmers, let alone profits. That's one of the reasons why farmers are committing suicide. Despite repeated pleas, the Chief Minister does not do anything for the farmers.

This must change. Politicians bend backwards to change policies for a few corporates but when large number of people ask for anything, they are lathi-charged and arrested.

We sincerely believe that there should be more in law for those who have less in life. The Chief Minister of a state should lose more sleep over the plight of farmers than he/she is worried about the big businessmen.

I very strongly feel that Government has no business to be in business. I am strongly against government running businesses. Business should be left to the people of India. But government should not be biased in favor of a few big business houses. Every citizen has a right to do business. Every citizen has a right to live. Trickle-down theory has miserably failed. Government's policies ought to alter drastically. Development should be such that it simultaneously touches and enriches every section of society.

When we say all this, people accuse us of being leftists. Many people ask me – are we leftists or capitalists? Let me tell you categorically – we are neither capitalists nor leftists. We are common people – aam aadmi. We have our problems. If we find a solution to a problem in Left, we do not hesitate to borrow it from there and if we find a solution in capitalism, we are more than happy to take it from there. We are interested in solutions, not ideologies.

What should be the job of any government? To provide law and order, provide security and efficient justice system. Has any political party been able to do that anywhere in India? No.

When I hear very senior political leaders talking about their achievements in terms of the number of flyovers that they constructed, I am dismayed. Today, large number of Indians are illiterate. They

live in abject poverty. Government's job should be to prepare a whole generation of healthy and well educated Indians. The first and foremost priority for any government ought to be to provide best healthcare and best education to its entire population, whatever it may cost. I mean it – lets spend whatever amount is needed to provide best education and healthcare to our entire population. I am sure that if the whole country commits itself, we can achieve this in five years. If we had well fed, well educated and healthy Indians, they would construct any number of flyovers in no time. That is our topmost priority.

In the last two years, things are changing. People are no more taking things lying down. Wherever I go in the country today, I see two sets of emotions. On one hand, whereas the people are very angry with the present political system, on the other hand, they see a hope in this movement. These very people, who had become cynical till yesterday are now raising their voices and protesting against corruption. The country got an opportunity in 1977, when everyone thought that the country would change. We have got this opportunity now after 35 years. I see this as the last opportunity in my lifetime. If we do not win, our India will lose, too, and the lot of the common man and woman will continue to become worse. Let us hope this does not happen.

I am very optimistic about India's future. We are walking on the path of truth. SatyamevJayate. We are optimistic that, in our case, too, Truth will triumph and those responsible for the falsehood that has become the bane of our common man and woman, will perish.

With the good wishes of all of you and of the majority of our countrymen, we are optimistic that this peaceful revolution will succeed.

Jai Hind.