Indian Prime Minister Vajpayee Outlines Country’s Economic Resurgence

BY MICHAEL LARKIN

asserting India’s growing presence in the world economy, India’s prime minister, Shri Atal Bihari Vajpayee, spoke before an audience at Columbia’s Alfred Lerner Hall late last month while visiting New York to attend the United Nations General Assembly.

"Today, India has the confidence that the basic fundamentals of the Indian economy are sounder than they have been for several decades," said Vajpayee. "A young, better educated, more confident Indian population is driving India’s progress."

According to Vajpayee, India, which has sustained an annual average growth of over 6 percent in the last decade, is the world’s largest producer of milk, and one of the most prominent suppliers of eggs, sugar. He stated that the country has experienced extraordinary growth in the industries of computers, finance and biotechnology, and has undertaken an ambitious highway project to facilitate expansion.

Indian enterprises are reaching global scales in quality and output," said Vajpayee. "Corporations from all over the world are coming to India for manufacturing or services. India is becoming a production base and an export hub for diverse goods, from agricultural products to automobile components to high-end services."

He also pointed to the 60 million Indians who have emerged from the ranks of poverty over the past six years as evidence of growth. Recently, India has been adding nearly 2 million mobile connections per month, and the country’s data and voice capacity has expanded 75,000 times from what it was four years ago.

"From roads to communication we are seeing the beginning of a qualitative change," said Vajpayee.

Debt management still remains one of the country’s greatest obstacles, but according to Vajpayee, the country has arrested burgeoning deficits and is repaying foreign debt ahead of schedule. In recent years the country has undertaken several reforms to stem rising deficits, such as the introduction of a tax code and the passage of “fiscal responsibility” legislation that calls for the elimination of the deficit within five years. “It is a daunting task but we are hopeful of achieving it.”

Vajpayee also noted that as a developing country, India is participating in a world market that poses developing countries at a disadvantage to industrialized nations. “The uneven spread of the benefits of globalization continues to accentuate disparities. The resources for development available to developing countries remain far short of the needs.”

He closed his address reaffirming his country’s desire to rectify the inequities of the international economic system. “We firmly believe that in the inter-dependent world of today, it is no longer possible to sustain islands of development surrounded by underdevelopment and deprivation,” said Vajpayee. “The world needs to recognize this and take corresponding measures.”

Nicaraguan Leader Pledges to Fight Corruption, Improve Economy, Defend Human Rights

NICARAGUAN President Enrique Bolaños Geyer told an audience at the School of International and Public Affairs (SIPA) on Sept. 23 that Nicaragua has been leading national and sub-regional efforts to promote “good governance.”

His address was part of a series of world leader visits to Columbia, in conjunction with recent U.N. General Assembly meetings.

“Good governance is the result of democracy, and combating corruption while respecting human rights for all Nicaraguans at home and abroad,” he said. “It is the result of solving our disputes without resorting to force or threat of use of force. It is the result of upholding freedom of the press and freedom of expression while recognizing that the limits to our own rights start where we meet the rights of our neighbors.”

Nicaragua has presented a proposal to governments of Central America to find ways to balance defense forces and still reduce dangerous weapons, he said. The country is also “a reliable partner in the fight against terrorism.” For instance, Nicaragua recently sent a team of doctors, nurses and mine sweepers to assist the Spanish government with humanitarian aid in Iraq.

Bolaños, in a multi-faceted anti-corruption campaign, has issued indictments against the country’s former president and high-ranking government officials. His administration is also overseeing the judicial system and, in the short-term, identifying alternative dispute resolution systems.

With the help of Michael Porter of the Harvard Institute of Strategy and Competitiveness, Bolaños also is trying to increase “national competitiveness” by reducing the costs of business transactions and investment and eventually providing better basic infrastructure in the form of roads and ports. Nicaragua is now focusing its resources on agriculture, agricul- ture, beef and dairy, coffee, tourism, mining, wooden products, and tourism.

But given the country’s $700 annual per capita income, Bolaños said help is needed from other nations if the country’s economy is to improve. Currently Nicaragua receives aid from the United States, the European Union, Japan and multilateral financial institutions.

“We need help in infrastructure and development, help in poverty alleviation, help in measuring the strength of governance,” he said. “Look at this as bridge financing, not as a permanent fixture.”

Bolaños closed his remarks to students and faculty by identifying his cabinet members and other staff who hold post-graduate degrees from prestigious universities in the United States. Many in his cabinet hold degrees from Ivy League universities. Among others, three members of Nicaragua’s foreign service graduated with advanced degrees from Columbia, including Nicaragua’s minister counselor to the United Nations.

“Only when we have environmentally sustainable economic growth and good governance, with equity for all our men and women, our ethnic groups, and our regional autonomies, can we have real human development,” he said. “That is our goal, that is our vision, that is our dream. And that is precisely what we have set out to do during my term.”

Bolaños commented that political and social developments in Latin America are rarely the subject of academic attention or study beyond specialized courses. He said this is even more the case in Nicaragua, but is now a very quiet deputy in the National Assembly.”

Bolaños called Managua the “safest capital in the Americas by far.” He noted that Nicaragua’s inflation rate is in single digits, its AIDS infection level is one-tenth of the United States’, and Nicaragua’s economy will grow through a new three-year agreement with the International Monetary Fund.

His government has now proposed a Central American Free Trade Agreement (CAFTA) with the United States, which is likely to be signed into action by the beginning of 2004. This and other efforts are part of Bolaños long-term vision for his country and the region.

“Only when your sights are set on a long-term goal, can you take the short-term steps that will take you there, in hops and bounds, frog leaping sometimes, advancing at a snail’s pace sometimes, but never stopping on the way to development.”

Indian Prime Minister Shri Atal Bihari Vajpayee speaks about his country’s economic progress.

SIPA Dean Lisa Anderson presented the Distinguished Statesman Award to His Excellency Anatoliy Zlenko, outgoing foreign minister of Ukraine, as part of Columbia’s world affairs lecture series program. The award acknowledges Minister Zlenko’s contribution to world peace and stability. Minister Zlenko was former ambassador to the United Nations and to Organization for Economic Cooperation and Development (OECD) and served as Foreign Minister under President Leonid Kuchma.