

Convocation Address

Delivered by

Hon'ble Mr. Justice A.M. Ahmadi

Chief Justice of India

on the Occasion of the 31st Convocation
of the Indian Institute of Management, Ahmedabad

On

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At IIM, Ahmedabad

Mr. Chairperson, IIMA, Mr. Director, IIMA, Members of the IIMA Society, Members of the Board of Governors, Members of the Faculty, Graduating students, Distinguished Guests, Ladies & Gentlemen,

To be invited to deliver the Convocation Address at one of the premier institutes for management in the Asia-Pacific Region is indeed a great honour. I thank Dr. Khandwalla and his colleagues for having accorded to me this rare privilege. I am truly overwhelmed by the warmth and generosity with which I have been welcomed today.

The issue that I would like to address today is the role that those of you who are graduating today will have to play in the shaping of the immediate future of our society. As you are aware, the Indian economy today is undergoing a process of liberalisation which is designed to bring it in harmony with the prevailing trends of globalisation followed across the globe. I am told that my immediate predecessors at the previous convocations at your Institute were the Prime Minister Mr. P.V. Narasimha Rao, and the Finance Minister, Mr. Manmohan Singh, and that, in their addresses, they had sought to explain the rationale behind the present economic reforms. To have been addressed by the two persons who have been portrayed as the principal architects of the process of economic reforms that are now being implemented, must have been an illuminating experience and it must have left you with a fair idea of the challenges before our nation. I would, however, like to add a new dimension to the issue which I think is important for you to bear in mind as you step into the professional streams chosen by you. However, before I do so, let me congratulate the successful candidates, awardees, and all of you who have been honoured today on your achievements.

We in India are approaching the fiftieth year of our independence and it is time for us to reappraise the achievements and pit-falls that the world's largest democracy has undergone in this span of time. While we can take justifiable pride in the fact that democracy in India is still vibrant, we have to realise that its functioning has not always helped in achieving desired objectives. Such an appraisal must also draw comparisons with the achievements of other nations in the same span. I must however caution that attempts at comparison can only be of limited value for it is doubtful if there is any other nation in the world that has such a diverse social, economic, political, geographical and demographical pattern such as is found in India. Then again, the process of implementing economic reforms is much harder in a developing country that has a huge population wracked by poverty, illiteracy and a variety of social afflictions that have a tradition dating back to centuries. Yet, we must be alive to the fact that many countries that had achieved independence almost simultaneously with India have gone on to achieve substantial economic progress. The economies of many countries in East and South-East Asia are a striking example of this trend. They too have had problems similar to that of India but have achieved greater success in overcoming them.

Pandit Jawaharlal Nehru's enduring legacy to our nation is the high standard of democratic values that he instilled in our national character. Those who seek to draw parallels between India and the only other country that can rival it in size and

population, China, must not overlook the fact that the economic affluence that the Chinese are said to enjoy has been achieved at the cost of their political and civil rights. It is far more difficult to implement long-ranging reforms through democratic measures, which involve meeting the objections of a vast number of groups in society, than through an authoritarian instrument. Pandit Nehru's concept of Fabian Socialism may not have met with universal acceptance but in implementing it, he always strove to adopt democratic means. With the benefit of hindsight, it must, however, be conceded that the concept has proved to be difficult to implement in the peculiar conditions that exist in our society.

Although measures to implement liberalisation were initiated in the mid-80's, they began to proceed at a steady pace only after we underwent an unprecedented balance-of-payment crisis in 1991. Since then, a large number of coordinated measures have been introduced at various levels of the economic hierarchy to revitalise our economy. In the true tradition of Indian democracy, these measures have been the subject matter of heated debates. In an election year, political discussions about long-term reforms are bound to be influenced by populist proclamations, but the general view of economic experts is that the process of economic reforms set afoot more than four years ago will continue although the exact route they follow will be dictated by the policies of the Government in power at the Centre. It would seem, therefore, that reforms oriented towards bringing the Indian economy in harmony with free markets across the globe are here to stay.

As we all know, the collapse of the erstwhile USSR, along with its economic policy, gave a fillip to the concept of the free market economy and soon, the countries of the third world were swept away by talks of liberalisation, globalisation and open-market economy. In India too, the 1990s saw a shift from the protectionist or State-regulated economic policy to the open market economic policy. The current of the winds of change was strong and there was a pressing demand to shift to the liberal economic policy, where the market forces would be the guiding factors. The argument in favour of economic liberalisation is that it stimulates development and promises to usher in economic prosperity which would improve the standard of life.

Development is a complex phenomenon. Development is intended to secure for all human beings the world over, a decent and meaningful life. If development is the means for economic prosperity and consequently the welfare of the human race, can development be divorced from its human and cultural context? Since we are witnessing the universalisation and globalisation of the economic policy, conceptually what is the cultural component of such a policy? If development has strong intellectual and moral elements touching individuals and communities, can it be reasonably contended that without the cultural element being a part of the package, the full growth of human personality which would promise a decent and meaningful existence would be possible?

Culture and development have, in recent times, gained a variety of shades of meaning but I view development from two points of view, namely, (i) as a process of rapid economic growth related to increased productivity and consequently, increase in per capita income, and (ii) as a process that enhances the quality of life in the

sense of greater human freedom which permits development of the human personality. Economic development, without human development, leaves development incomplete and may, therefore, truncate the growth of the human being. And when we talk of human development, we cannot overlook the cultural aspect which is an integral aspect of the development and growth of the human personality. It has, therefore, been said that the human and cultural aspects form part of development understood in the wider context. Development divorced from the human and cultural aspect has, therefore, been described as growth without a soul. Therefore, if development is understood in the narrower sense of mere materialistic growth, ignoring the human and cultural aspects, it would be likened to a body without a soul. Qualitatively speaking, development to be complete must comprise both economic development and human development. Obviously, therefore, economic development sans human and cultural development would hinder the full growth of the human personality. Development must, therefore, not be confined to increased production of goods and services only but should also embrace human values and offer opportunities which would permit blossoming of the human personality in all its splendour.

When we talk of human and cultural development, the Preamble of the Indian Constitution at once comes to mind. It speaks of JUSTICE in all its hues, social, economic and political; it talks of LIBERTY of thought, expression, belief, faith and worship; it emphasises EQUALITY of status and opportunity; and lastly it insists on promoting among the people the sense of FRATERNITY assuring the dignity of the individual human being, and unity and integrity of the Nation. The chapter on Fundamental Rights expands these human and cultural values. Viewed in this perspective, can we ever think of development divorced of these values ?

In recent times, after the conclusion of the Second World War, human rights are widely regarded as an indispensable standard of a civilised society. In fact, how civilised a society is, is determined from the extent of human rights its members are permitted to enjoy. And many of the human rights delineated in the Universal Declaration of Human Rights have the same cultural flavour as many of the fundamental rights enshrined in our Constitution. And when I talk of human rights, I am not oblivious to the need to be reminded of an individual's duties as a human being towards his fellow human beings as well as the society of which he is a member. Our Constitution also reminds him of his duties by incorporating them in Article 51A by the 42nd Amendment. Suffice it to say that both international covenants as well as our Constitution recognise the importance of social and cultural aspects. Can they then be ignored when we talk of development ?

If then development has two elements - the economic aspect and the human or cultural aspect - the next question is whether there is any co-relation between the two. Is development an admixture of both the elements or do they stand in separate, watertight compartments ? As pointed out earlier, development embraces increased production and availability of consumer goods and services on the one hand and opportunity to improve the quality of life on the other. But even in the economic aspect of development, if it results in increase in per capita income, it will incidentally have a bearing on the improvement in the quality of human life. Therefore, in the view that emphasizes the economic aspect, there is an element of the human or cultural

aspect even if the percentage is nominal. In such a situation, the principal or fundamental element is purely economic and the human or cultural aspect is incidental or instrumental. Culture, regardless of its degree, therefore, enters as a component of development and cannot be wished away.

The world has witnessed a pressing demand for human betterment, that is improvement in the quality of life of a human being. Economic prosperity may increase the per capita income of the people, may even improve the standard of living, but that is no guarantee for improvement in the quality of life. It is well known that generation of black money may have improved the economic condition of a family, the per capita income of the members of that family may have substantially increased, but if the family has a criminal background it will continue to have it because culture cannot be purchased by rupees and, therefore, the quality of life will be the same, namely, life without values or culture. Culture, therefore, cannot be reduced to a secondary position or to the position of a mere instrumentality to achieve the ultimate goal of economic growth. Therefore, it is important to realise the far-reaching function of culture in development.

It is true that by and large a vast majority of people would value goods and services because of their immediate impact on the daily life of the people. It is difficult to reduce culture to a mere incidental or instrumental role. Culture, as we have noticed, plays a dual role; it plays a subsidiary role in the promotion of economic growth but when it comes to the growth of human personality, it plays a vital role in preserving certain basic family values. Therefore, to appreciate the cultural dimension of development we must bear in mind both its roles because, together, they help in achieving the ultimate goal of development in the wider sense. It is, therefore, obvious that development in the wider sense comprises a fine blending of the economic aspect as well as the cultural aspect.

The co-relationship having been established, there can be no doubt that development must comprise the dual aspect of culture having implications on the life style of the individual as well as the community. Our country has seen the blending of many cultures. Being a multi-religious community, it has, over the years, absorbed many cultures and is, therefore, rightly described as multi-cultural. While pluralism can be a positive factor, it can tend to become risky if lack of tolerance embroils it into an avoidable conflict. We must foster respect for all cultures having tolerant values. If one group tries to interfere or destroy the culture of another group, the composite culture would be affected which would truncate development. Intolerance on the part of one group would force the other group into a conflict, which in the long run would be injurious to development. When the world is becoming small, in course of time the world community may be required to develop a global culture. Where then is the scope to quarrel amongst ourselves ?

Viewed in this context, can we say that the revised economic policy pursued by us since 1990s has the right emphasis ? I do not propose to dwell on the question whether the revised policy should or should not have been introduced. It can trigger off a lively debate. While accepting the introduction of the revised policy as essential to development it would seem as if our focus is on foreign investments - essentially

and mainly on the economic aspect with the cultural aspect receding to the background. I feel that both the aspects deserve equal attention, the cultural aspect even more, and, therefore, when you go out in the open market and are required to advise people in the corporate sector, please do not undermine the human or the cultural aspect. What needs to be realised is that the process of economic reforms is not an activity that affects only the economy of the nation; its repercussions over all other aspects of national life can be profound. A person who emphasises the economic aspect only and overlooks the human and cultural aspect would tend to be more theoretical than practical and experience has shown that mere theoretical knowledge without awareness of the ground realities of the area of operation is not enough to be successful in any project that you may undertake.

There is but one more aspect of the process of economic reforms that I would like to comment upon before I conclude. Every one of us present here knows that the biggest obstacles to India's progress are the onerous burdens of poverty and illiteracy that so many of its citizens are forced to bear and live with. Those who propagate the many wonders of globalisation and point out the examples of success-stories in other nations must realise that never before has liberalisation had to face and overcome such huge odds as it is confronted with in the Indian economy. The problems that we face cannot be wished away by adopting some magic formulae; the adoption of economic reforms, as applied in other countries, will not automatically do away with our society's afflictions. Indeed, such measures will have to be structured in a manner that takes into account the presence of these inhibiting factors and thereafter strives to overcome them. To achieve this end, we need a wholly indigenous system of economic reforms - one that is alive to the peculiar problems of our labour force, the economic inequities, the many social barriers that exist, our specific cultural requirements and so on.

The same is true of principles of management. Managerial principles developed in the best schools in the West would have little or no impact if applied blindly in the Indian context. The Indian cultural ethos is one that has a long tradition, dating back to centuries and the Indian economy too is steeped in heritage. Therefore, indigenous systems of management need to be developed to tackle our peculiar problems and I hope that your institute is sensitive to such approaches.

Speaking before you has been a wonderful experience, and I thank you for permitting me to share with you some of my thoughts on the tumultuous changes sweeping across our country. Thank you for your time. Good luck and God speed.