

Keynote address at the Harvard Kennedy School at the Conference: INDIA: The Next Frontier, Extempore remarks by Ambassador Hardeep Singh Puri, Permanent Representative of India to the United Nations in New York on March 24, 2012

As we celebrate the 75th anniversary of this great institution, I was reflecting on what to say here. Let me start by paying a tribute to the idea, that public service is something that can be studied, taught and lived. In doing so, let us also acknowledge the awesome reputation of this institution. The 36th President of the United States, Lyndon B. Johnson said : *"I don't believe I will ever get credit for anything I do in foreign affairs, no matter how successful it is, because I didn't go to Harvard"*.

As a young student of trade policy, I was taught to be very careful whilst evaluating such statements and always make due allowance for and quantify the "other factors". As far as I am concerned, the jury is still out on whether the problem with the 36th President's foreign policy arose from not going to Harvard or other factors.

I would like to draw inspiration from the man, whose name this prestigious school carries. John F Kennedy was both a charismatic leader and a visionary. A few formulations which are worth recalling, one, that *"leadership and learning are indispensable"* . *Any discussion of public policy has to start with issues dealing with governance. Leadership divorced from learning is, I think, where problems start.* Equally, *"I am an idealist without illusions"* . Idealism is fine, but if you do not subject yourself periodically to a reality check, you become a pointless visionary. *"Change is the law of life and those who look only to the past or present are certain to miss the future."* And finally, *"Peace is a daily, a weekly and a monthly process, gradually changing opinions, slowly eroding old barriers, quietly building new structures and however undramatic the pursuit of peace is , the pursuit must go on."*

Since your event is about India, the next frontier, let me start with a few words on how I view India. It will not surprise you that I am bullish about India. Not only because I am paid to say that, but more important because I genuinely believe that as the world's largest democracy, our future and its trajectory will be moving ahead positively, not only because we will slowly but surely become the world's second largest economy but because I believe we are a country which has successfully transformed from a colonial economy of 190 years. We have a good story to tell. We have transformed into a vibrant secular economy which , in terms of mainstream global values, has a lot to put on the table.

Sometimes last year, I think in October 2011, a former Prime Minister of an ASEAN country came to India, and while addressing the Hindustan Time conclave, said India could grow faster and be like China only if it was a little less democratic. Now, I am not aware that democracy and economic growth

are commodities that you choose from, like at a fuel pump in a Brazilian city, where you have a choice between normal gasoline and ethanol, which you can mix, given the prevailing price of the two, on any day. There was only one occasion, many years ago, when we tried to curtail civil liberties in the mid-1970s produced unfortunate results, for everyone to see. So, any theme on India as the next frontier one will have to start with the acknowledgement that India is a democracy, and will always continue to be a democracy, even if it means a few percentage points of GDP growth less.

I am quite bullish on this. There is a banker who wrote an article recently. I quote him not because he and I share the same family name. I do not know him. He said basically you have a choice of growing between 7 to 10% a year. If you get all the public policy choices right, in other words, if you get the governance right, you will grow at 10% and if we botch up all the governance decisions, we will still grow at 7%. Now, to me, I think the strength of our democracy is such that we have no option but to also get the governance right.

Let me explain why I say that. Point one - in India, given our democratic politics, you cannot decouple democracy from the nature of coalition politics we have. There is no point pretending that we can go down any other road. The choice is not between public policy decisions, which make for social inclusive growth and the free play of market forces. That is not a choice. We will have to go down the path of inclusive growth, because unless we can carry all segments of our population with us, the process of economic growth and democracy on which it is centered, will not be able to deliver the outcomes that we are seeking.

Where are we headed? I have absolutely no doubt that we will grow at 7 ½% to 8% at the very least, in the coming few years, starting immediately in 2012-2013. Why is there so much gloom? You would have seen an article in The Economist, which talks about the fading of the Indian magic. There is some concern which I found resonating, when I was addressing some investment bankers in Manhattan, two weeks ago, anxiety that we may lapse back into what is called the Hindu rate of growth. Why is there this anxiety, because in the last quarter, quarter on quarter growth was only 6.1%. But again, if you look at the reasons for that, it is not difficult to find, for the simple reason : between 2010-2011, the Reserve Bank of India raised interest rates on 13 consecutive occasions, which led to a squeeze, and now that process is being reversed. So I have no doubt that all this anxiety about a relapse into Hindu rate of growth is misplaced. We already have statements from the Finance Minister saying that we are going to be taking some tough decisions.

What are the kind of reforms we need? Clearly, not the reforms that foreign investors in India keep clamouring for, which are the short-term

decisions which they find lucrative from the point of view of maximizing returns on their investments. The reforms which we need are those which will make for longer term sustainable growth in India. What do I have in mind? These are issues such as of our raising agricultural productivity, better targeting of subsidies, making projects in infrastructure viable etc. We will have to continue with a programme of subsidisation but will have to ensure those subsidies are targeted. They have to reach and serve the purpose for which they are instituted, not to result in wasteful expenditure. And so on, I could mention several others, and probably will do so while answering some questions and answers. We also have some slides, which will have the answers.

A few words on India-US bilateral relationship. Very often, I am told United States has done so much for India why is India not reciprocating? Enhancing bilateral economic interaction is a win win for both sides. I want to share with you some details, which I think merit mention because these perhaps go unnoticed. When President Obama went to India recently, there were some discussions on commercial contracts, then in the pipeline. The decision for India to purchase C17 transport aircraft is reported to have created something like 23000 jobs in the US.

Then there was a FICCI study released some time ago which put the value of foreign direct investment from India at something like \$20 billion over a five year period between 2004-2009. Then there was another \$5 or \$6 billion on account of acquisitions and mergers by Indian companies. So, if you look at that figure of \$26-28 billion, it is not insignificant in terms of job creation. NASSCOM has come out with a study a day or two ago, which says that India has created, over a recent reference period, something like 280,000 jobs out of which 200,000 jobs are held by US nationals. So, I think it is a fairly even picture. We welcome FDI investment from the United States to India. The United States was our largest trading partner till China overtook it. But the relationship in terms of technology, the area of innovation, the creation of knowledge-based society etc. is by far our most important relationship.

Another area where, I sometime fear, there is lot of misunderstanding is on the voting record between India and the United States in the United Nations. When I went to Washington for pre-Security Council consultations in December 2010, I was told by my friends in the State Department that the right wing - Heritage Foundation maintains that we have very low convergence on voting in the UN.

Insofar as the UN General Assembly is concerned, in the 65th session, which was the last one, we are presently going through the 66th session, 316 resolutions were adopted in the GA. Of these 316, 243 were adopted by consensus, which means everyone was on board. There was voting on 73 resolutions. Out of these 73, India and the United States voted identically on 10. That leaves 63. Taken in overall terms, you get a percentage convergence

on GA resolutions of 80.1%. On voted resolutions, it is 13.7%. This seems to be the figure which the Heritage Foundation and others pick on.

Let us see what these voted resolutions were about? The instances of divergence in voting, in real substantive terms, is I think only in 3 resolutions out of 73. One is the resolution on Iran on which we abstained. So I think you have to remove that also. The other is the economic blockade against Cuba in which out of 193 members of the GA, Cuba gets 187 votes, of which India is one. The United States is one of the five countries which vote in one direction and not with the mainstream. And the other one was on Myanmar and there is an interesting story. When President Obama came to India, he said he would like to see India as a permanent member of the Security Council. Everyone was absolutely thrilled and as Permanent Representative in New York, I was besides myself with joy. We were of course not unaware that this would take time. But he also stated after that “but along with this comes responsibility.”

And on Myanmar, what is the difference on Myanmar, between the United States and India? Both the United States and India are leading democracies. One is world’s largest democracy, the other is the leading industrial democracy. Clearly, both the countries want the democratic order restored in Myanmar. So, there is no difference in objective. Except that our approach towards Myanmar all along has been one of silent counselling, telling the leaders of the country, as indeed leaders in any other country, look it is in your own interest to free political leaders, have elections. Now which approach has worked? The other, Western approach, is one of sanctions, punitive and coercive measures; and we believe that our method has worked. After the change took place in Myanmar, Secretary of State Hillary Clinton, the Australian Foreign Minister, and others have visited Myanmar.

Then there are resolutions on the Middle East. Twenty resolutions where, in fact, the United States is, in a minority on each of these resolutions. Then there are resolutions on disarmament issues, 19. The fact that India is not an NPT signatory means that we abstain on some of these resolutions. But more important, we have an India-specific IAEA safeguard agreement and we have an exemption from the Nuclear Suppliers Group, and as all of you know, we have a civilian nuclear energy deal with the United States.

On decolonization matters, there are seven resolutions, sadly the United States votes along with a small minority of former colonial powers. So, in other words, if you look at the convergence rates, actually the convergence rate is extremely high. The same convergence out of 73 resolutions which were voted, for last year, you will find that the United Kingdom, which is the United States’ closest ally, voted differently in 43 cases.

We are now a member of the Security Council. The Security Council passes a statement, a press statement or a Presidential Statement or a

Resolution every 3 days, and except for one case, in the case of Libya, where we abstained, and again on Syria, where we initially did not go along but when we voted along with the resolution, our convergence rate is with the United States, I say, almost 95-98 or 100%.

But the point I want to conclude is that in a country like India, which is a very proud democracy, which has strong public opinion, which has a free press, it is very difficult to conduct foreign policy, if the other side, your closest friend, says *“you are a friend so you must vote this way on a contentious issue.”* That is not how you can conduct foreign policy. Foreign policy decisions have to be based on independence of decision-making, based on your own interest. In the case of a recent resolution on Sri Lanka, which the United States brought to the Human Rights Council, which really calls upon the Government of Sri Lanka, to act on its own Lessons Learnt Commissions, India voted along with the resolution. If someone were to suggest this was due to pressure from some other country, I would call that completely untrue. It was the result of our own perception, we helped dilute that resolution in order to make it more palatable for Sri Lanka, so that any technical assistance which is granted to them is based on consultation and their consent.

Let us now come to what the Security Council is doing these days. We are back on the Council after a period of 19 years, The Council's actions have to be looked at, against the background of the doctrine of Responsibility to Protect. For those of you, who are not entirely familiar with this, let me recall that in 2005, the United Nations, at a summit level meeting, produced what is called an Outcome Document. That Outcome Document, in Paragraph 138, talks in terms of each State having the responsibility to protect its citizens from genocide, ethnic cleansing, war crimes and other such mass atrocities. In 2009, the Secretary General, prepared a report on the Implementation of the Responsibility to Protect. The concept of R2P arose from the ashes of the massacres in Rwanda. It is not that the international community did not know that there were problems in Rwanda. The information was available and yet the international community chose, for some reasons, not to act, resulting in mass scale killing which qualify for the characterization of genocide. So the bottom line is no one, as in no one, in the international community wants another genocide on his or her watch. There are people in the United States Administration, extremely influential, Secretary of State Hillary Clinton, Samantha Powers, who were in the National Security Council, my colleague Susan Rice, who is the PR, who were all in important positions in the Clinton Administration.

So, why this noise about the manner in which the R2P concept has been implemented in the case of Libya. And that brings me to Libya as a case study. The manner in which R2P has been implemented in Libya is what is giving R2P a bad name. Let me, as a starting point, say that we are all for democracy and human rights. On that there is no doubt. The international community has

accepted human rights as a mainstream value system and there is a universal declaration on human rights. But insofar as R2P is concerned, the Secretary General's report talks of three pillars. Pillar one, that each State has the responsibility to protect its own citizens from genocide, ethnic cleansing, crimes against humanity and so on. I think that no one can be against that, because nobody wants another occurrence of mass killing of the kind that took place in Rwanda.

Pillar two, says that if a State is not in a position to protect its citizens from these mass atrocities, then the international community has an obligation to provide technical assistance to those states in order to help build their institutions. Again there is no problem. The problem comes with pillar three which relates to implementation.

Now, immediately when the concept or doctrine was enunciated in 2005, a former French Foreign Minister - he was not Foreign Minister then, but became Foreign Minister subsequently - Bernard Kouchner described R2P as the doctrine for humanitarian intervention. In other words, if some country is failing, the international community has the obligation to intervene. First of all, the trigger point for invocation of R2P is not human rights violations per se. Human rights violations will take place everywhere, in the United States, Western Europe, in Sri Lanka and India, everywhere. But that does not mean the international community should mount a military offensive to go in and interfere. The trigger point has to be mass atrocities, and the trigger point has to be looked at, in terms of what each of those mass atrocities imply.

In the case, for instance, of genocide, there is the UN Convention on Genocide. What does that convention say? It says and I want to quote to you the precise language so that there is no confusion in terms of what we are dealing with here. In case of genocide, the genocide convention provides a threshold as "*when committed with intent to destroy, in whole or in part, a national ethnic, racial or religious group as such.*" In other words, when the international community has information and reasonable basis to believe that an entire nation or a religious group or an ethnic group or a racial group is vulnerable, and could be exterminated then the international community has an obligation to act. In the case of crimes against humanity, there is the International Criminal Court or the Rome Statute which provides the threshold as "*a widespread or systematic attack targeted against any civilian population, with knowledge of the attack pursuant to or in furtherance of a State or organizational policy to commit such acts.*" And then for war crimes, you have the Geneva Convention. In other words, basically you have a responsibility to move in, and again the R2P doctrine, also said that you should try pacifist ways, you should try diplomacy.

Why then this immediate urge to move in with military force? And I conclude Libya very quickly by telling you, first of all, no one as in no one in

the Security Council held a brief for Col. Gaddafi. The nature of his rule was such, the atrocities that he was committing were such, that there was very little international sympathy either within the Security Council or in the UN for Col. Gaddafi. Therefore, the Security Council had no difficulty in passing Resolution 1970. We were a little weary, we wanted a gradual and calibrated approach to Libya because we thought a gradual and calibrated approach will produce better results. But when the Arab League approached us and said look, rivers of blood will flow, when Gaddafi attacks Benghazi and, therefore, the international community has to step in. The Security Council immediately agreed to resolution 1973 which provides for protection of civilians. Incidentally, all this is in the name of protecting civilians. The use of "all means necessary", means that you are allowed to use military force but there was some balancing provisions in the Security Council Resolution. Point one, that there was a provision for a ceasefire and mediation, with the help of the African Union. And point two, that the punitive and coercive measures included "an arms embargo." The problem arose because the Security Council resolution was, we thought, balanced but the real purpose for some proponents of military action was regime change, which was not part of the Security Council resolution *per se*.

So, when the military action started, a stage was reached in which the military machine of Gaddafi perhaps had already been sufficiently weakened ,and there was a possibility of calling for ceasefire and some scope for mediation. But those who were keen on regime change did not want any of that. They wanted military action to continue. But more serious, the provision for arms embargo, was selectively interpreted to mean, almost that you could bomb the hell out of Qaddafi and his military machine; but at the same time, you could provide weapons to the Benghazi rebels. These three easy steps to Revolution : Security Council resolution, NATO military action and arming of the rebels, this is what started creating major difficulties which has now spilled over into Syria.

And that, I think, is the problem also with the Arab Spring because in these countries where you had peaceful social mobilization, as in the case of Tunisia, Morocco, Egypt by and large you find that the Gandhian methods have a much greater chance for success, but where you use military force as in the case of Libya the outcome is seriously problematic, I kept protesting in the Council and I continue to say this now, that the problem in Libya is that the society there, is deeply fragmented and divided along tribal lines. Use of military force accentuates tribal animosities and as we are seeing now, we are finding it difficult to celebrate the birth of democracy in Libya, after one year of military action. The problem is now spilling out and we saw the government in Mali fall the other day, largely because of what happened in Libya. There may be other governments in the region, Chad and Niger, which are equally vulnerable.

And finally, to conclude, on Syria where the Security Council should have been on the same page, in terms of urging both President Assad and the rebels to walk back from the violence, the experience of Libya has vitiated it. With great difficulty, we could get support for the Kofi Annan mission.

Question and Answer Session:

Question: How do you evaluate Afghanistan Pakistan situation and security situation in India post American withdrawal?

Answer : Well, first of all in as much as the situation in Afghanistan is concerned , what you need to do to start with is to insulate the very unfortunate aftermath of the burning of the Quran and the killing of 17 innocent civilians by a US combat soldier from the larger withdrawal of forces starting 2014. There are number of international conferences starting with the NATO conference on Afghanistan in May. The international community has to come to terms with the fact that the withdrawal from Afghanistan is inevitable. Public opinion in the West is asking for withdrawal, including in the US and public support is dropping. A certain timetable has been in put in place. The expectation and I hope this can be proved right, that the process to implement the agreed time table, that the Afghan authorities and Afghan security forces develop the capacity in the intervening period to manage their own security.

(...intervention inaudible..is India part of that?)..

India is very much part of that. You will not be able to get agreement unless all the countries in the region, which means Pakistan, India, Iran, Russia, China all of them contribute. Because the last thing you want to happen is that US Forces or the ISAF Forces withdraw, and then the vacuum which is created, is filled by the Taliban. So the negotiations with the Taliban, other security arrangements, will have to be discussed in the international conferences scheduled. Certainly, India has made commitments to Afghanistan's development which are of the tune of 2 billion dollars or more. Our relationship with Afghanistan goes back more than thousands of years, much before ISAF was conceived of.

Question: Increasing cyber attacks on Indian infrastructure, did we make a mistake by not joining forums like ITU, ICAN etc. Second question, do you think we have made a historical mistake being non aligned by not aligning with the US and consequently having lost out on our permanent seat at the UNSC?

Answer: I am very happy to answer that question in great detail because I have spent many years dealing with that subject. First, for all those who don't know, ICAN which controls the internet, is a private entity. So to cut a long story short, as PR in Geneva, I participated at the Geneva segment of WSIS, and

again at the Tunis segment on WSIS. We have been in the forefront in taking the lead to say that there must be a democratization of ICAN.

Democratization means what ? I don't see the private entity willingly ceding control, other governments must be drawn in a cooperative relationship and I hope that, at some stage, even those who favor retaining control within ICAN, will see the advantage. And I personally believe that what happened in the Arab spring, through social media, twitter etc, such strange interpretations (inaudible)... In other words you will have situations, when governments will realize that there is some advantage in having such powerful mobilizing force-social media, being under some kind of discipline or norm, than being under no control at all. India is a member of ITU. So I don't know what you mean by joining such forums?

Frankly, I didn't understand the second question at all, whether we made a mistake being non aligned, whether we made a mistake being who we are. No, not at all, if becoming a permanent member of the Security Council means that we have to be at the beck and call of those who want to dictate to us, then NO, I would rather not be a permanent member of the Security Council, and follow my instincts otherwise.

Q:. US is a big democracy and India is the largest democracy. US has a hard approach in dealing with terrorism while India has a soft approach to terrorism. Why? My second question, Facebook may be responsible for Arab Spring but the regimes there are not responsible like India or the US. Where is it taking us?

A: I don't understand what you mean when you say, one is a hard country and the other is a soft country. By that, if you mean that one is more ready to use military force and is considered hard, then I don't mind being a soft country. That's not the issue. On the Arab spring and Facebook, there was a lot of excitement from the Arab spring because people had the expectation that change would be conducted according to a western democratic liberal template and the results would resonate with western democratic values. So, after the Egyptian elections took place, people suddenly got worried and said is this the Arab Spring we wanted? But look, let's be clear, after a country or any region has been under authoritarian regime for 40 years, and change comes, you can't say I want change, only if it produces a result which conforms to my aspirations. Then that's not clear.

Well you have used some harsh words about Facebook, and I am technologically challenged. I don't go on Facebook, because I think a civil servant should follow some discipline. And, therefore, I allow my colleagues in the publicity department to do that. I stick to more conventional means of communication. But let me tell you, you can't blame Facebook for the Arab Spring.

The ferment on Arab street was already there. It was political alienation, economic grievances. Facebook only facilitated that ferment by articulating it and getting people from other countries to join in on to that. So don't blame the medium for it.

Q: You mentioned India's relations with Afghanistan, what is your sense on how India's role in the rest of the region, particularly in the economic context?

Answer: Well, you know if India grows at 7.5-8%, which is what it should. India has free trade agreement with Sri Lanka, India has vibrant trade with Bangladesh, India is trying to do something for Nepal and the other LDC's in the region. That brings me to Pakistan and that's always been the worry. I am reasonably confident that with Pakistan extending the MFN treatment to India, the current levels of trade which are close to 4 billion dollars, will multiply in the short run at least 3-4 times. We're looking at 10-12 billion dollars of trade with Pakistan. We're already doing 7-8 billion dollars of trade with the other neighbours.

And my submission to you is that the best safeguard that you have for good and solid relations in the limited SAARC context, and in our immediate neighbourhood is for constituencies to develop an economic stake in the relationships. In other words, when India's trade with Pakistan will be 50 billion dollars, which is doable given the kind of complementarities and synergies we have, it is doable in the medium term. Then the propensity to lapse back, when unfortunate occurrences take place is limited. I think that's the best bet we have. I think the Government is going about it in the right way. The Commerce Minister's visit there. Clearly there is a inhibition in Pakistan to totally open trade with us. That is why this MFN treatment is taking us so long because India is a larger economy. If we do this sensibly, in an incremental way, it's a win win for both sides.

Q: How would you contrast that with the China trade story?

Answer: I personally don't subscribe to the view that we have to be comparing ourselves with China all the time. I think China has embarked on a long term exercise to raise hundreds of millions of people out of poverty. They need relative peace for that. Yes, there are competitive compulsions that China is having in the South China Sea. There are other countries including India. But look you have to look at those issues in perspective. I would much rather have 100 billion dollars of trade with China and be looking for increasing the canvas of contact with China rather than lapse looking backwards. The model that we have got with China is a very good one. That we leave the core issue, and work around all the other issues, and I think it is working. Many constituents in India have a tendency to compare us all the time with China. But China is a much larger economy. It's a five trillion dollar economy. China started liberalization much earlier. But surely India has a very good story to tell. One is we will

catch up, finally. Whether we will catch up in total GDP terms, I don't know. May be not, but what we will catch up is with the quality of our economy, the democracy, the participation of the people, I think that has much higher durability in the long run.

Q: How can India and US build strong relationships and bonds for education, you know co-ops and often build strong business relationships like investments and also using outsource think tanks. How can we build strong relationships in business and education?

Answer: Well I agree with you. When you go to invest in property, you are looking for location, location, location, but when you look at investing in development, I would go for education, education and education. As far as India is concerned, that's an absolute must. But your question is more specific, your question is how can India and US cooperate in order to build much stronger links, both for the sake of education and if I understood you correctly, for the business part, as well. I totally agree with you. How can we do it? One of my pet projects has been that after I retire, I want to devote myself to education. There are different ways of doing it. I would like to see a Mayo Clinic being established in India. I would like to see major centers of excellence, in academics having corresponding Indian practices. I would like to see free movement of faculties between them. Why should it be necessary for Indian students to come for undergraduate studies to US and pay \$50,000 a year? You should be able to do that and there should much freer flow. And it also makes business sense. Because unless you do this you're going to face another crisis, which is when the economy was growing fast, these bright Indians used to come here and their parents used to spend \$200,000 and they would get a job after that. But now with the unemployment situation being what it is, they have to spend 200,000 dollars here, and then they have to go back to India and then look for a job.

So I think you can organise that more cost effectively by doing some of these things. But the legislative requirements for us to do that in India, have been now put in place. And I know that the HRD Minister Mr. Kapil Sibal was here, he has been talking to business schools, now well you can be cynical about this and say it's not going to happen. I think its already happening in some ways. What I would like to see is it happening in the upper end of the market rather than through the fly-by night operators.

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