

**Narsee Monjee Institute of Management Studies**

*'Building the New India in the 21<sup>st</sup> Century'*

**Convocation Address by Dr. Shashi Tharoor**

**Mumbai, 15<sup>th</sup> April 2016**

Hon'ble Chancellor Shri Amrish Patel, Vice Chancellor Dr. Rajan Saxena, Trustees on the dais, Vice Provost Dr. Sanyal, Registrar Ms. Meena , Deans, Faculty, Staff, parents, and above all, dear Students...

It really is a pleasure to be here at the Narsee Monjee Institute of Management Studies (NMIMS) on this occasion to mark the convocation (or the first part of the convocation) of the graduating batch of 2016. My warmest congratulations to all of you whom we've been able to see on stage – but not just the students: the management, the faculty, and the parents, who have done so much to make today possible. This has been a special day of accomplishment, and I think, there is a lot to rejoice for all of us. It's interesting to see such a large class, I gather 696 students, MBA students, graduating this year including 349 today, from such diverse specializations as finance, human resources, marketing and pharmaceutical management. And I admire the highly impressive reports by Dr Saxena and Dr Sanyal of what you have all have achieved in the course of this year. I couldn't help noticing, as we were giving away the awards today, how well the women students have done. About 30% of the class has won 85% of the medals and the merit awards. Well done! It's a

pattern and I am warning the men in this auditorium and beyond, you better pull up your socks, guys! But all of this is a matter of great satisfaction, to see your achievements and to celebrate the joy of the results of all the hard work you've done. Give yourselves a hand.

You know, I couldn't help reflecting that I could have been one of you as an MBA graduate, had I taken up the offers I received from the two IIM's in existence when I was graduating from college – the IIM Ahmedabad and Calcutta. I got into both of them, they ranked me first and second, and I (perhaps foolishly) turned them down to go off and study International Affairs in America instead. Well, my life turned out in a certain way, but it would have been very different, if I had done what you all have done and acquired that MBA and joined the world. But, as a result, I have to confess that I come from an academic background completely devoid of any training in management. But, given my seven years of professional leadership of the largest department of the United Nations secretariat, where I had over 800 staff scattered in 77 offices around the world, a shrinking budget and political pressures to prune my staff and my programmes, I sometimes feel like I earned an MBA degree on the job! So forgive me for the pretention of speaking to you management graduates today.

Many of you have already got your jobs elsewhere, some of you would perhaps prefer to start your own ventures and perhaps and even

after the jobs you have got, many of you would become entrepreneurs. India is increasingly becoming an entrepreneurship driven economy. Indians abroad have already proved themselves in the number of start-ups they have helmed in places like Silicon Valley (and I know there's a place not too far from here, being called Powai Valley for the increasing number of start-ups that are located there), and all these have gone on to change our outlook on the world. But of course, the established multinational corporations operating in our country have looked at our home-grown talent for many, many years. But more than the nitty-gritty of finance or marketing or HR, in many ways the significance of an MBA education is what it teaches you about leadership.

Today, the options you have available to all of you are countless. I remember after my days in college, how few were the options available to graduating youngsters in the India of the 1970's or the early 1970's. Our economy was still very a closed, socialist, protectionist one, and international exposure was limited. The word globalization hadn't been coined. Today, the world is smaller, opportunities are far greater and today's graduates have a wide variety of choices in India and outside that were unknown, let alone available to previous generations.

India's economy of course, has transformed itself dramatically since the liberalisation of 1991, when Dr. Manmohan Singh told the Parliament that no power on earth could stop an idea whose time had come. And that

idea was the liberalization of the Indian economy, which has given us the growth and diversity that allowed us to weather the storms that confronted the global economy after the crisis of 2008 onwards. Last year, in 2015, the International Monetary Fund predicted that despite all that's happening here and around the globe, the Indian economy will be the fastest-growing major economy in the world. A few years ago we overtook Japan to become the third largest economy in the world in purchasing power parity (PPP terms). But, in many ways the best is yet to come, because we have *you* on our side. Age is on our side.

You are the builders of our country, and we are the youngest major economy in the world. At a time when many of our potential competitors - - China, Japan, South Korea -- are facing a serious demographic squeeze, and of course, the rest of the world is aging (in Europe the average age is going to be 46 by 2020, in Japan it is going to be 47, in America even, youthful immigrant fuelled America, it's going to be 40). In India it will be 29. So we have this huge young population 50% under 25, 65% under 35. A young country -- and you as young fresh graduates will be joining a dynamic, competitive, productive, youthful workforce, which could be engine of the world taking over from China.

In fact, the International Labour Organisation (ILO) has predicted that by 2020, we will have, in India, 116 million workers in the job-starting age group of 20 to 24, whereas China will only have 94 million. In fact this

transformation suggests that we will have the labour force that could change the world. Our situation will compare well with the industrialised world, as its labour force is going down by 4% by that time, by 2020; China's will go down by 5%, India's will increase by 32%. So as far as the age structure and potential is concerned, it's a huge competitive advantage and this is the time for us to seize that advantage.

But the demographic dividend will only work in our favour if we can educate and train our young people to seize the opportunities available to them in the 21<sup>st</sup> century. Those of you who have graduated from NMIMS obviously, for you, the world is your oyster. For everyone else in our country who are less fortunate, less privileged, the question marks abound. Our demographic dividend could become a demographic disaster if we continue to proliferate in different parts of our country legions of uneducated or undereducated, unemployed and therefore unemployable, and therefore very frustrated young men. I say men because we've had Maoist incidents in 165 districts in our country, and these are young men who because they will have no jobs, have no stake in our society, because we haven't equipped them to be part of it.

That's why I've always argued that education and skill development are not just a socio-economic issue in our country; they're a national security issue. You represent the successful side of that experiment, of that

challenge. But there is still the challenge awaiting our government and the rest of the country in other parts of the world.

But this is where you all come in! Harnessing young India's potential will require highly educated and motivated individuals to provide leadership across all sectors of our economy. It's because of this that management education remains a significant weapon in our national arsenal, as we march towards greater economic growth. While we celebrate the management schools that have created a distinctive "Brand India" in business education, our legacy has been strengthened by some of the newer institutions. And I know there are many that are much newer than you, but you would still qualify as a 35 year old one, which has now been providing talented young students with an opportunity to equip yourselves to lead our economy.

The education here that you have received will not however, add up to anything significant for India if you don't use it, and the time and age on your side, to become the leaders who can transform the Indian economy and the future of India for the better.

I remember when I was at the UN, Secretary General Kofi Annan used to love to tell the story of the hen and the pig discussing the problems of the world. The hen says, you know the world has so many different problems, we can get together, we can solve them, and the pig says, but

you know we are only a hen and a pig, what can we do? The hen says, well let's disaggregate the problem. Take hunger, for example: I provide the eggs, and you provide the bacon; and between us, we'll get hunger licked. So the pig thinks for a second and says, you provide the eggs and I provide the bacon, huh? So yours is a contribution, mine is total commitment!

I tell that story because some of you would prefer to make a contribution, you will go into the private sector, you will make your fortunes. But remember the country that you have come from, and the backgrounds that you have enjoyed the privileges of. And some of you may put yourself on the frontlines to transform the nation. You will be the pigs in the story, because yours will be a total commitment to India's future.

How can you contribute to our country? You know the definition of contributing to the country has long since gone past traditional approaches. Think beyond established lines. Ask yourselves what can you do for your country that hasn't been done?

Ours is a civilisation that for millennia has done extraordinary things, offered refuge and more importantly religious and cultural freedom, to all those who have come to these shores and lived here and grown here and prospered here. In fact the British historian E.P.

Thompson wrote some years ago that this heritage of diversity in India is what makes India, *“the most important country for the future of the world.* He said, *“All the convergent influences of the world run through this society... There is not a thought that is being thought in the West or the East that is not active in some Indian mind.”* I’m glad a Brit said that and not an Indian!

But the magic of Indian nationalism is that it is not based on a particular language or a particular geography, or a particular religion or even a particular ethnicity. Indian nationalism is a nationalism of an idea, the idea of an ever-ever land – if I can stand Peter Pan on his head-emerging from an ancient civilisation, united by a shared history, and sustained by our pluralist democracy.

As young Indians, and future leaders, you must aspire to preserve this pluralism, which is so essential to India’s survival. Education gives you the power to be the voice of reason and sense of cooperation and harmony amidst chaos and anarchy. You must make choices that reflect your education, that give credence to our spirit of assimilation. Our democracy, our thriving free media, our contentious civil society forums, and NGO groups, including our energetic human rights groups, the remarkable spectacle of our extraordinary general elections -- all of these have made of India a rare example of the successful management of diversity in the developing world. And that is something that we must all play a role in and cherish.

Many of you will know Tagore's famous verse from *Gitanjali*, calling for our country '*where the mind was without fear and the head is held high*'. That is the country that we all cherish. And yet we know that our country is under threat of being broken up, at least mentally, by 'narrow domestic walls'. Despite being a young nation, we are an ancient civilization, which far outstrips this young republic or the developing country the world sees us as. In one of my books, *The Great Indian Novel*, I'd begun irreverently by saying we're not an underdeveloped country; if you look back at our ancient history, the Vedas, the empires of the Mauryas, the Guptas and even the Mughals, we're a highly developed country of the past, in an advanced stage of decay. Now writing things like that is the privilege of the satirist, and I wouldn't say it today, because that decay is being replaced by highly energetic thrusting new development in India. But, we must carry our civilisation with us; its ethos, its emotions, its many stories, its teachings and contributions that are far richer than anyone of us.

And as future leaders, you need to redefine in your own terms what that 'leadership' means. Yes look back at the heritage and draw from it, but simultaneously look forward and work towards building upon the existing idea of India.

And then your education as managers and entrepreneurs should be applied in one way or another to look for solutions to the problems faced

by India and the world at large. In 69 years of our independence as a nation, we have often found creative solutions to our problems. I feel immense pride when I recall how far we have come, how the managerial skills of our citizens and our leaders have allowed us to grow so much since 1947 when the British left us with a legacy of 0.1% annual growth, 17% literacy -- I mentioned the women achievers here, but when the British left, 8% of Indian women were literate. We had a life expectancy of 27 and 90% of our population below the poverty line in 1947. We've come a long way, we should be proud of it. We're much better at criticizing ourselves, criticizing our nation, than in recognizing the progress that has been made. But what we have accomplished is not enough; we shouldn't be complacent. There's a lot more we can do.

But we have accomplished a great deal to get where we have. Your own Chancellor has set such an outstanding example with his Shirpur model of all-round rural development. His work in water conservation, irrigation, education, health and environment protection has been exemplary, and I congratulate you, Amrish Ji. As our country tackles challenges in these diverse areas, and also in housing, transportation, energy, healthcare of course, communications, financial services, clean water -- in all of these, the quality of our management education becomes a critical factor.

But then the question comes, of course, what are your assumptions as you face all this? I used to love telling a story, but I haven't told it in a while, so I'll tell it again -- of the bad old days when I was a kid and the green Revolution hadn't yet come to India, and the Americans were sending agricultural experts to advise Indian farmers. And so the story goes, an American expert arrived in an Indian farm, a fairly modest little place (given the land reform and the pressure of population, our farms weren't that big). But the Indian farmer welcomed this American visitor very proudly and said you know all this is my farm! It was not much larger than the space of this auditorium. And the American looked and said 'hmm', and then the Indian said 'can you see that national highway over there?' – and the American looked and he saw a dirt road –but the Indian said very proudly, 'my land goes all the way up to there.' And then he said, 'you see that irrigation canal?' And the American looked and he saw a trickle of water, and the Indian farmer said 'my land goes all the way up to there.' And he said to the American, 'what about you?'

Now the American had his farm in one of these prairie Midwestern states like Kansas or something, where the wheat fields roll on for miles on end and you can't see the end of the farm on the horizon. So he cleared his throat and says 'Well, in the morning I get into my tractor and drive 2 hours north to the northern boundary of my farm, then its another 2 and a half hours in my tractor to the western boundary of my farm. I break for a sandwich, then it takes me three hours in my tractor to get to the southern

boundary of my farm, then its an hour and a half to the eastern boundary of my farm, and by the time the sun sets, it takes me in my tractor, another hour and a quarter, back to the ranch house'. He finds the Indian farmer nodding very sympathetically, 'I know, I know' says the Indian, 'I too used to have a tractor like that.'

Now, the reason I tell that story is, not just to show that the Indian is never easily put down, but that in everything, what you understand depends on what your assumptions are. And we must have the right assumptions resting on our own heritage, traditions, and social and economic realities. We must count upon the inherent creativity and spirit of enterprise that each of you has to overcome the challenges of the new century. This will need Indian business schools to understand and teach the way India works and how its pulse beats. It is encouraging that case studies like the '*Dabbawallahs* of Mumbai' or '*Sulabh* International' (or even Laloo Prasad Yadav's railway reforms) have all been introduced in the curricula of various business schools, not just in India but around the world, giving a taste to our students of how indigenous business management practices have worked. Our Indian principle of 'Jugaad' is becoming institutionalized. Not as something necessarily, as the critics say, that people use just to twist their way around the system to get things done or to cut corners. I think it is much more than that. To me what I celebrate about that is its ways of thinking out of the box, to repurpose things, to make do of what you've got within your resource constraints,

create solutions, think creatively and most important, bring non-traditional solutions to traditional issues.

I mean one problem in our school education has always been the tradition of rote learning, of telling kids you just cram for the exams, and this is what we teach -- it's what the textbook says, it's what the teacher says, and you will do well in the exams depending on your ability to regurgitate what you've been taught. Well, that may work in the exams in our country, but it doesn't work so well in the bigger examination called Life, where it's not enough to answer the questions, you need to be able to question the answers. Where it's not enough to have a well filled mind, crammed with all the facts that your textbooks have taught you, because in the era of Google, you don't need a well filled mind; you can find anything with the click of a mouse. What you need is not a well-filled mind but a well-formed mind. A mind that can think creatively, that can understand when you see unfamiliar problems, what the essence of them are, synthesise them, come up with problem solving approaches and tackle them. And thinking out of the box is essential for that. The creativity that too often we stifle in our schools is indispensable in the real world.

Actually, I'm wearing an example of something that I found a particularly creative solution to a common problem. I need glasses for distance, I don't need them to look at my notes here or see my colleagues on the dais, but say if I had to see halfway down the audience and

recognize someone, I couldn't do it without my glasses. But, I'm hopeless, I keep losing them, breaking them, misplacing them. In my political life in Kerala, I wear the Kerala *mundu* or *dhoti* which has no pockets, so I'll leave them in my lap, it'll fall down, somebody will step on them. At one point, in the beginning of 2013, I lost or broke 6 pairs of glasses in three months, so I was lamenting this to a friend, and he said what's the problem and why does this keep happening to you? The real problem, I replied, is that for a hundred and fifty years, glasses have always been made the same way. They are joined at the bridge and hang over your ears. I happen to find that uncomfortable, so I always take them off when I don't need them and I only need them 5% of my day. The rest of the time I'm at risk of breaking them or losing them. So, I said, why didn't they think of how to make glasses differently in the last 150 years? And he said, somebody has. And he decided to solve my problem through an out of the box solution, and here it is, it's hanging around my neck. I don't lose these anymore, because when I need to see somebody at the back of the hall, all I need to do is click them together with magnets in the middle, there's your out of the box solution. So I can say hello and take them off again.

But, I mention this because in 2011 I was invited to inaugurate the Indian Innovation Centre at the University of Toronto, so a foreign university was studying Indian Innovation before we were making an academic subject of it. In fact the buzzword then was 'Indovation', innovations developed in India. "Frugal innovation" was the other

buzzword. If you do a Google search for the phrase frugal innovation, the top 20 results will all relate to innovations made in India. We don't have time for me to give you these examples. But my point is that thinking out of the box, coming up within our limited resources, but within our own realities, with new innovative solutions is something we're beginning to do, we need to do much more of. We are the country that invented the zero, all those many thousands of years ago. But today all we are inventing, it sometimes seems, is zero. We need to do more, we need to have world conquering inventions coming out of our Indian minds. And I think we need educated managers who too will think creatively, recognize originality when they find it, look for the path breaking solution.

New challenges in this era of globalization – it's interesting to realize it's a word we use so widely, but it only came up for the first time in the modern world in 1983, in an article in the Harvard Business Review. And of course, it was with the end of the Cold War, the narrowing of global boundaries, and the communications revolution, that globalization became a reality. It's a complex, controversial and synergistic process, in which improvements in technology, especially in communications technology and transportation have combined with the deregulation of markets, liberalization in India, open borders generally speaking, except for workers sadly, to bring about vastly expanded flows of managers, money, goods, services and information. This process at its best integrates people, businesses, non-governmental organizations, and nations into larger

networks, and at its best again can promote convergence, harmonisation, efficiency, growth, and, perhaps, even more democratisation around the world.

But it has a dark side too. It produces economic and social dislocations. It arouses public concerns over job security; the distribution of economic gains; the impact of volatility on families, communities, and nations. Much of what we're seeing in American politics today, in European politics, is the anxiety of people who can no longer take their assumptions about their lifestyles for granted; who can no longer assume they will no longer assume they will have a better life than their parents, and they're fighting back – and the backlash is challenging and worrying. As modern day leaders you must learn how to handle the thorns that come with these roses. You cannot be, as Indians, managers for the bottom line without any concern for those below that bottom line –  
the bottom of the proverbial pyramid.

Economic growth is vital, I share that view. But the magic of the market will not appeal to those who cannot afford to enter the market place. We need to extend the benefits of globalization and liberalisation to the poor, by supporting growth and also distributing the fruits of that growth to those who have been excluded or marginalized. The assets of the 200 richest people in the world are more than the combined income of 41% of the world's population; as leaders of the new age, you have a large

imbalance to correct. Remember for India, whether we grow at 9 per cent, as we once did, or at 7.3 per cent, as we do now, we cannot forget that the focus of our development must be on the bottom 25 per cent of our population.

And another important element of leadership in today's age in our country is one that we don't talk enough about — and that's ethics in business. The key difficulty surrounding business ethics is that by definition ethics goes beyond the merely legal—but how far beyond? It's argued that no institutionalized rules exist in our country. Public opinion isn't a very good guide; it's subject to change as well. Then as managers and leaders how do you judge what is right and what is wrong? The philosopher who sought to judge this best, who sought to establish ethical rules on the firmest possible foundations, was Immanuel Kant in the 19<sup>th</sup> century. And his basic ethical proposition was a simple question, "What if everyone did that?" I believe that this simple logic, except in some rare cases, works as an eloquent compass in times of moral dilemmas. Every time that you are confronted with a dubious ethical challenge, ask yourself, what if everyone did that? If you can live with the answer, then go ahead, and only then should you go ahead. Otherwise, say no, I should not do something, which would cause vast damage and would be morally unacceptable to me if everyone else also did it. Ethics in business and even in government has to be the anti-clogging device in the arteries of our system that cleanses our system every now and then, lest it burst from the

pressures of greed and corruption. In a world mired with shaky souls and broken promises, I would like to ask educators and students to find in yourselves the will to stick to the right path as leaders of a new and I hope better era. In a country like ours, where corruption is rife in society, inculcating the right values must become a vital part of an MBA education. And I was so glad when values were mentioned upfront in Dr. Rajan Saxena's speech as your Vice Chancellor.

The challenges and opportunities that corporations and industries pose for business leaders are the same that nations and governments pose for political leaders. Despite the different habitats inhabited by our two apparently different species, I would suggest that the temperament, the intellectual ability and the qualities of endurance and patience that are required in a successful business leader are entirely the qualities that no self-respecting politician seeking public office can do without.

That's how you get to good governance – another buzzword. Of course for a while now, it seemed we now live in an India where instead of saying "Merry Christmas" we should be saying "Happy Good Governance Day". Developing and preserving good governance is essential for our country and it must become the passion of all governments, every day. Good governance means applying standards of quality and efficiency to the process of delivering services to the public. And for achieving this good governance, we need good leaders to be groomed young.

As an MP, I've had the occasion of interacting with many young people, potential future leaders of India. I've been impressed by their enthusiasm, enterprise, the idealism that they've shown in dealing with the problems of our country. And that's why I'm hopeful that some of you too who have graduated today will enter the political mainstream and provide leadership in governance. God knows that our politics could use some trained managers one day!

Because we need trained managers like you to help identify quality solutions across the board to our long-standing national problems. The ones that haven't changed since time immemorial. We've still not solved the problems of providing the *aam admi* with *Roti, Kapda aur Makan* and now its graduated to *bijli, sadak aur pani*, and one can add *kitab, naukri*, and perhaps these days broadband as well to the wish list that every ordinary Indian must have. Now we need to find the innovative ways to tackle these shortfalls, these needs, to solve them; we can't go on postponing the achievement of these for all Indians. We have to solve these problems while preserving our environment, and ensuing good governance.

But it can be done, and Indians can do it. I remain inspired by the story, more than a hundred years old, from the 1890's, when in this city, the great industrialist to be, Jamsetji Tata, was denied admission to Pyke's Hotel in Bombay at the peak of the British Empire, because they had a sign

saying 'Indians and dogs not allowed'. So what did he do? He went off and built a far grander, more opulent hotel that was open to Indians – the Taj Mahal Hotel. I don't know about the dogs, but the Indians could get in. Now the Taj is today considered one of the finest hotels in the world, whereas Pyke's has long since closed. When the same Mr Tata set up India's first-ever steel mill in 1905 in the face of implacable British hostility, a colonial official of that era sneered that he would personally eat every ounce of steel that an Indian was capable of producing. It's a pity he didn't live long enough to see the descendants of Jamsetji Tata taking over (and now selling) what remains of British Steel, through its acquisition of Corus. It might have given him a bad case of indigestion.

And of course, many of the graduates will remember the internet meme that went around on our emails and *what's apps* last summer, when the newly re-elected British Prime Minister, David Cameron, went off to Buckingham Palace to claim his renewed mandate. And as the Indians said in forwarding the photograph of this, there goes the British Prime Minister in an Indian owned car, the Jaguar, escorted by British police in another Indian-owned car, the Land Rover. That's enough to send a postcolonial frisson through us!

In other words, it's time to set aside the old stereotypes of who can and cannot excel at what in our globalizing world. In this new world, we need managers who can lead, who can innovate, who can inspire, who can

reach out beyond the limits that their forerunners have lived with. Our country needs a countrywide commitment to quality that can work across all these areas, create awareness, promote effective implementation and continually improve as we go along.

Today, dear graduates, as you step out, remember that this is not merely the end of your NMIMS education, but a wonderful beginning as you embark into the “real” world to display your talent and intelligence to your new employers. I can say with confidence that as motivated and mature individuals you will make exceptional contributions to the vast pool of knowledge and wealth in our country and in the world. But as future leaders of India, I am sure, you will carry the weight of the countless nameless, faceless, citizens of India who rely on your skill, and your dedication, and your acquired managerial talent to help build them a better tomorrow.

As you exit this campus today, remember that even though you might be sitting in a business firm, or in a multinational corporation or consulting in a think-tank, or perhaps doing what the world likes to call “off-the map professions,” whatever you do, do you best and your contribution to the country will be immense. The fact is that the best prescription I can give you all is never let yourselves down. Never stop challenging yourself -- every one of you has your own talent, not just the ones who won the medals, the ones who didn't win the medals know what

they're capable of inside them: keep drawing that out of yourself.

Remember no one can be a better you than you yourself. That's what you owe yourself to do.

And if you do that, believe me, this world full of opportunities, needs your talents, your enthusiasm, your spirit, your desire to succeed and our country will be a better place.

Now it would be odd for a politician to end a speech without quoting Mahatma Gandhi, so let me live up to your expectations and do so! But not one of his better known quotes, ok? Gandhiji said, "*It is the quality of our work which will please God and not the quantity.*" He of course also more famously declared, "*Be the change that you wish to see in the world.*" Since quality will not come without change, I think, both his exhortations apply to all of you — change yourselves to change the world, and do so with work and values of the highest quality. I am sure these two thoughts of Mahatma Gandhi can illuminate your quest for continued accomplishment in all aspects of your life and work. Congratulations again on today's accomplishments, good luck in your careers!

Thank you, and Jai Hind!