

*MIT-India Faculty Director, S.P. Kothari was invited to speak at an MIT student celebration this past Saturday for India's Independence Day 2015. S.P. Kothari, Gordon Y Billard Professor in Management, Sloan School of Management, shared his views. See remarks below:*

“Today marks India’s 69<sup>th</sup> Independence Day! I often wonder what it must have been like at the time in 1947. Nehru, India’s first prime minister and architect of democratic India, at the time of independence described the momentous event with these memorable lines: “Long years ago we made a tryst with destiny, and now the time comes when we shall redeem our pledge, not wholly or in full measure, but very substantially. At the stroke of the midnight hour, when the world sleeps, India will awake to life and freedom. A moment comes, which comes but rarely in history, when we step out from the old to the new, when an age ends, and when the soul of a nation, long suppressed, finds utterance. It is fitting that at this solemn moment we take the pledge of dedication to the service of India and her people and to the still larger cause of humanity with some pride.”

I have goose bumps when I read his speech. In it, the joy and excitement of being a free nation are palpable, his hope and optimism are unmistakable, and yet he has a solemn sense of the daunting task ahead with the goal of lifting millions out of poverty. He goes on to say: “The service of India means the service of the millions who suffer. It means the ending of poverty and ignorance and disease and inequality of opportunity.”

Sixty-eight years later we gather today to celebrate yet another independence day. India can take pride in having fulfilled the promise of a democratic polity. Numerous political parties have savored victories in elections in India and administrations have changed hands peacefully on each occasion. Not many countries besides the Western nations can boast such an accomplishment. The political freedom Indians enjoy is the envy of people in large swaths of the world, rich and poor.

Complementing the legacy of political freedom, India has made enormous progress in virtually all fields – education, commerce, technology, sports, and arts, to mention a few. Extraordinary accomplishments of individuals in all of these fields make us all proud as Indians.

Still, hopes of economic freedom and hopes of poverty alleviation have been just that, hopes, even after almost seven decades of free, democratic India. These challenges firmly remain works in progress, albeit slow progress. The pantheon of talented Indians dispersed all over the world is a testimony to the limited opportunities in India as compared to elsewhere, notably the US. Progress will only come when the geniuses in India and from elsewhere have the conviction that their future would burnish in India.

Human capital is highly mobile. It travels rapidly to places and jurisdictions that offer the hope of a high return. Like bees are attracted to honey, people gravitate towards the land of opportunity. Therefore, to retain and attract human capital, a nation must offer a free and promising economy and a welcoming society. In a balkanized world of over 190 countries, each competing against the rest for human and financial capital, it is incumbent upon a nation to make herself attractive for talented individuals and rich corporations to invest in the nation. In a play on

the famous words of John F. Kennedy, I paraphrase him in saying that a nation's motto ought to be "Ask not what you can do for your country, but ask what your country can do for you."

We are a privileged lot. Many gathered here have a first generation connection to India. I arrived into the US 33 years ago in August, 1982. I have long since assimilated into the US society, a true melting pot of extraordinary people with diverse racial, cultural, and ethnic heritage. Still, after three decades, I feel a part of me is tethered to India. I have an urge to repay the debt of gratitude and I am constantly reminded of the unfulfilled promises. How can we give back? Each of us has to find his or her own way to make a difference. In doing so, I would appeal to you to consider influencing the institutions that would serve as the foundation for economic freedom, not just in India, but globally. Let me tell you the institutions that would benefit from fortification.

We all would agree that that a combination of equality of opportunity, meritocracy, and a safety net for those who might fall behind is the cornerstone of a just society, a society that would prosper and serve as a role model for the rest of humanity. While the focus of such aspirations for a just society typically is an individual, as a student of business, I submit that in a world in which nations compete in the fields of science, commerce, industry, and human capital, the same principles apply. Equality of opportunity and meritocracy are compromised in the presence of excessive regulation, corruption, and lack of law enforcement, i.e., lack of property rights. For economic prosperity, it's imperative that not just individuals, but businesses also enjoy freedom. I therefore exhort you to work toward strengthening the institutions that would nurture freedom and thus enable businesses, commerce and individuals to soar.

I am reminded of John Adams, the second President of the United States, who wrote, "I must study politics and war, so that my sons may have the liberty to study mathematics and philosophy, geography, natural history, and naval architecture, commerce, and agriculture, in order to give their children a right to study painting, poetry, music, architecture, tapestry and porcelain." The implication is transparent. The first order of business for a society and for politicians is to secure life, liberty, and the right to pursue happiness, which is a harbinger of prosperity, economic and cultural, for the future generations.

Thank you for giving me the privilege of sharing my thoughts on the occasion of India's Independence Day. We have much to be proud of India's accomplishments notwithstanding very humble beginnings almost seven decades ago. However, we cannot rest because much remains to be done to realize the dream of a just, prosperous India!

Jai Hind."