

“What place for India in the new global geography of wealth?”

11:30 am – 12:30 pm: November 8, 2011

WWF Auditorium, 172-B, Lodi Estate, New Delhi

With Globalization taking a new shape following the financial crisis in 2007 and the subsequent rise of India and China, Aspen Institute India organized a session on **“What place for India in the new global geography of wealth?”** with Mr. Claude Smadja, Founder and President, Smadja and Associates Strategic Advisory and former Managing Director of the World Economic Forum.



This session focused on the ‘new geography of wealth’ that has emerged and India’s place in it. Citing the difference between India and China’s share of world output which is three to one, Mr. Smadja said that India needs to have the policies that will allow it to narrow the gap with China.

Mr. Smajda added that a new constellation of growth has emerged. A number of emerging economies like Turkey, Chile, gulf countries etc. are anchoring their growth momentum around the growth dynamics created by China, India and Brazil. Mr. Smajda termed it as the **“New Growth Club”**.

Talking about **Globalization** and India’s advantage owing to its diverse population Mr. Smadja said that “India has a tremendous advantage because of the diverse talent, diverse population and its power in adapting to any environment. Indian entrepreneurs will have more opportunities”.

He also added that “globalization requires very strong government.” The issue is to have an efficient government that can enhance economic competitiveness.

Answering to questions on the importance of a strong government, Mr. Smadja said: “We shouldn’t confuse between a strong government and a bloated government. A bloated government is actually not a good government. There is a bloated government in Italy which is completely inefficient. Italian economy has been working on its own.” Mr. Smadja connected the three issues of Globalisation, democracy and good governance. He said that Globalisation has generated the search for a civil society. Government ability is becoming the key issue in countries because of the erosion of the middle class, because of the pressure created by actors who are not in government- the pertinence of strong and good governance is very much present.

According to Mr. Smadja, there is an American version of globalization, a Chinese version of globalization and to a large extent a European version of globalization and it remains to be seen how India will assert its own version and project a vision of economic growth.

This session was moderated by Mr. A.K. Bhattacharya, Editor, Business Standard.

This video can be watched here:

<http://www.youtube.com/user/aspeninstituteindia#p/u/0/XN464-M1ak8>