

## Role of Culture in Economic Growth and Elimination of Poverty in India

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It is a pleasure and a privilege for me to speak at this hallowed place. We should all be grateful to Mr. R.R. Kale for donating an endowment to the Servants of India Society. This institute is aptly named after Shri Gopal Krishna Gokhale, an eminent nationalist who founded the Society. Its lustre has been enhanced by successive directors starting with Dr. D.R. Gadgil. I feel a sense of awe when I hear the names of various academic luminaries that have walked the portals of this institution. I am grateful to Prof. J.G. Krishnayya, my boss at the Systems Research Institute in 1975, for obtaining a room on lease here for my colleague, Mr. Shashikant Sharma and me. I have very pleasant memories of this place. This institute conducts research in various branches of Economics. Perhaps, it gained much prominence for its study on a method to measure poverty led by Prof. V.M. Dandekar and Prof. N. Rath in 1971.

I am an engineer and my knowledge of economics is limited to just a few great books I read as a student – *A Theory of Moral Sentiments* and *An Inquiry into the Nature and Causes of the Wealth of Nations* by Adam Smith, *Principles of Political Economy and Taxation* by David Ricardo, and perhaps the finest undergraduate book on Economics – *The Principles of Economics* by Paul Samuelson – the famous neoclassical synthesist. Perhaps, the younger ones among the audience may have learnt their basics of Economics from a more contemporary teacher like Gregory Mankiw.

In my latter years, I have benefitted immensely from the wisdom I have derived from reading *Capitalism and Freedom* by my favourite 20<sup>th</sup> century economist – Milton Friedman, the rather longish (about 2,500 pages) – *Das Kapital* by Karl Marx, *Principles of Economics* by Alfred Marshall, and, of course, *The General Theory of Employment, Interest and Money* by John Maynard Keynes. Why am I mentioning these books? A simple reason is my belief that these wonderful books have profoundly influenced the important subject of economic growth of nations required to reduce poverty.

As I stand here, I see an India that wrenches my guts and brings tremendous anxiety and shame. We have the largest mass of illiterates in the world with over 400 million people unable to read or write. Over 250 million Indians do not have access to safe drinking water. Over 750 million Indians do not have access to reasonable sanitation that you and I have. India is behind Bangladesh, Nepal and

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